ack. Feb. 11, 1911.

No. 145 AMERICAN LEGATION,
PEKING.
January 10, 1911.

The Honorable,
The Secretary of State,
Washington, D. C.

Sir:

I have the honor to transmit herewith a translation in duplicate, of three Imperial Edicts issued on January 6, 1911, making changes in the officials at the head of the Yu Chuan Pu, or Board of Posts and Communications. You will observe that Sheng Hsuan Huai, generally spoken of among foreigners as Sheng Kung Pao, the last two characters being an honorary official designation meaning Junior Guardian of the Hair Apparent, is appointed President of the Board, replacing Tang Shao-yi whose repeated resignation on the ground of ill health is finally accepted by the Throne. Although some uncertainly exists in Chinese and foreign circles here as to the degree of Tang's illness, yet positive knowledge is not lacking that Tang is really an ill man. His wife's recent demise at Tientsin is also a contributing cause to his extreme dejection which is so noticeable to all his acquaintances. That the varied, important, and vast volume of business of the Board suffered by Tang's long absences on sick leave there can be no doubt. It is impossible, however, to dissociate Tang's utter indifference to official duties during the past few months with the uncongenial political atmosphere at the capital in which he was expected to labor. The fact that his former patron and warm fréend, Yuan Shih-Kai, was not restored to power, as Tang had reason to hope would naturally and speedily eventuate at the time of his appointment to the head of the Ministry of Posts and Communications, was a constant source of deep disappointment to the latter.

With regard to these recent changes, I am inclined to the opinion that they will not effect adversely the Hukuang loan negotiations as well as the other railway projects in which American financiers are already interested or may hereafter become interested. Sheng Kung-pao is a practical man, having acquired a broader experience in the management of telegraphs, railways, and steamship transportation lines than perhaps any other high Chinese official. He also headed the Imperial Commissioners empowered in 1902 to revise the commercial treaties with the Powers, and as such signed the treaty with Great Britain in 1902 and the American and Japanese treaties of the following year. He has also always manifested an intelligent interest in the difficult and pressing question of the reform of Chinese currency, and at present in company with Duke Tsai Tse, President of the Board of Finance, is in the midst of negotiations with the American Government and

American financiers looking toward the preparation and adoption of a program of currency reform and the conslusion of a loan for carrying out these reforms. In view of Sheng's long and varied experiences, he should be easier to deal with than his predecessors on international questions.

To give the new President a free hand in the new Board, the former Vice President, Shen Yun-pei is transferred to the Board of Civil Appointments. The new Vice Presidents of the Board of Posts and Communications are Li Ching-fang and Wu Yu-sheng. Both of these officials are young men so that Sheng Kung pao will predominate in the Board. Lord Li, who is retiring Chinese Minister to Great Britain, has had experience as director of the Shanghai-Nanking Railway, and should prove of valuable service to the Board, and the fact that Wu is a fellow provincial of Sheng's, both being natives of Kiangsu, should insure their harmonious working, a condition previously non-existent among the high officers of the Board.

I have the honor to be, Sir,

Your obedient servant,

Enclosures:

Three Imperial Edicts January 6, 1911 in Duplicate.

IMPERIAL EDICT. January 6, 1911.

T'ang Shao-i has memorialized that his illness is growing more serious daily and now his leave having expired he asks to resign his acting appointment. It is decided that the Acting President of the Board of Posts and Communications, T'ang Shao-i, be allowed to resign.

IMPERIAL EDICT. January 6, 1911.

Sheng Hsuan-huai is appointed President of the Board of Posts and Communications and Wu Yü-sheng is appointed Junior Vice President of the same Board.

IMPERIAL EDICT. January 6, 1911.

Shen Yün-p'ei is appointed Acting Junior Vice President of the Board of Civil Appointments and Li Ching-fang is appointed Acting Senior Vice President of the Board of Posts and Communications. Pending his arrival Wu Yü-sheng will add to hi his duties those of the Senior Vice President of the Board.

Translated C. D. T.

No. 161

AMERICAN LEGATION,
PEKING.

February 1, 1911.

The Honorable,
The Secretary of State,
Washington.

Sir:

I have the honor to refer to the numerous despatches transmitted to the Department recently by the American consular representatives at Harbin, Mukden, Antung, Newchwang, Tientsin and Chefoo, reporting on the prevalence of pneumonic plague within their respective districts. As these reports have kept the Department fully advised as to the origin of the plague, its spread throughout the three Manchurian provinces as well as Chihli and Shantung, and the steps taken to combat the disease by the high Chinese officials, by the foreign and native authorities in the various municipalities and concessions in North China, as well as by the railways operating in the affected area, the Legation will at this time confine itself for the most part to reporting the measures already taken, or proposed to be taken, for the protection of Peking, and especially the Legation Quarter, from this pestilence.

The plague which has been virulent in

Manchuria since November last, spread rapidly over those provinces, and advanced southward along the railways toward Tientsin. The first appearance of the disease south of the Great Wall was at the latter port, and shortly thereafter at various smaller stations along the route of the Imperial Railways of North China. After the elapse of a brief period, it appeared also on the Tientsin-Pukow Railroad. Thousands of coolies from Manchuria passed over this line furing December and January last, so it is not strange that they carried the infection. Fortunately, however, owing to the sudden rise of the Yellow River, traffic has been suspended, so that incidentally the further advance of the plague to the southward has been stopped. About the middle of January a coolie coming from Manchuria died from plague in the Austrian concession at Tientsin, and from this case several others developed, and deaths ensued. These deaths at Tientsin were followed on the 20th ultimo by the appearance in Peking of a well defined case, the victim being a coolie, which proved fatal, and within a few days thereafter two or three persons who had come into direct contact with the deceased, also died. Since that time measures to be taken for the protection of the Legation Quarter have been under discussion by the Diplomatic Body. A panicy feeling took possession of some of the members. It was at one time proposed to close the quarter altogether to both foreigners and Chinese; ingress to be allowed only after five days quarantine. The excitement subsided and practical considerations became dominant. It was realized that such a stringent quarantine would interfere with freedom of intercourse of the legations with the Wai Wu Pu and other Boards, which the situation did not justify.

The Japanese Chargé d'Affaires was at first most vehement in his objections to any quarantine regulations, which would prevent his nationals freely passing in and out of the Quarter. He asserted that there were some eight hundred of his nationals living in the Chinese parts of the city, and that the business interests of his legation with his people were too important to permit him to accept a stringent quarantine; unless specially authorized so to do by his Government. His manner, whether or not so intended, was defiant and offensive in tone, and was so regarded by the other members of the Body. Subsequently, it appears, he had instructions from Tokyo to accept quarantine regulations, even though stringent, provided conditions justified them. Since then his attitude has changed, and his manner is most courteous and agreeable.

The commandants of the guards have deemed it necessary to take precautionary steps, restricting the movements of the soldiers and sailors to their respective compounds. Some of the Legations attempt to restrain the native servants from going into the native quarters of the city, also forbid the entrance into the compounds of ricksha and other coolies, but it is believed there is now a general relaxation in this regard. Most of the legations have laid in an extra stock of provisions; have arranged for the members of the native staffs to reside within the compound, and otherwise prepared for what might be called a siege.

At a meeting of the Diplomatic Corps on January 16th, it was decided that the foreign doctors be organized into a Board of Health to prescribe preventive sanitary measures. As the action of such a board would naturally incur certain unavoidable expenses, it was decided that Great Britain, France, Germany, Japan and America were to be assessed, on a pro rata basis, ten per cent each of the total expenses connected with plague prevention in Peking; Austria and Italy were assessed each five per cent, and the other countries represented here, one and a half per cent each. It was at this time that I forwarded my telegram of January 17, 6 p.m., to which I respectfully refer, describing the situation, and requesting authorization to draw on you up to one thousand dollars, if occasion required. Your telegram in reply of January 19, 1 p.m., granted the authorization as requested. No account of the expenses that have thus far been incurred by the Board of Health has been presented to the Diplomatic Body, so that I have not yet been called upon to draw any money on this account.

1/ Quarantine regulations were finally adopted by the Diplomatic Corps, as per copy enclosed, but these measures will not be put into force until the occurrence of a sufficient number of authentic cases justifies such a step. I feel like apoligizing for these regulations, so far as the language employed is concerned. But there was so much conflict of opinion in the Diplomatic Corps as to what the regulation should be, so much useless discussion, that, we felt it desirable to adopt something, or anything for the time being and to amend them afterwards.

A campaign was also inaugurated in Peking, as was done in Tientsin, against rats, which are regarded as disseminators of the disease. A copy of the resolutions submitted to the Diplomatic Body by the Board of Health with regard to the destruction of rats is also enclosed. 2/

The most reliable reports obtainable to date give the number of deaths at Peking attributable to the plague as eleven. But several of those deaths were merely the subject of suspicion and not of scientific diagnosis. It must appear therefore that eleven deaths within two weeks in a city of this size do not present an alarming indication of wide spread plague conditions. I venture to predict that unless the situation becomes more serious by the discovery of more deaths, it is not likely that more drastic measures will be adopted for the present. However, I was strongly of the opinion, as I am yet, that it is highly desirable and advisable to have regulations prepared for any eventuality; so that while I heartily agree with the majority of my colleagues that the present conditions do not warrant our putting the quarantine regulations in force, yet with a view to having a practical organized method of operation in the event of such an increase of the virulence as to call for drastic measures, I drafted a memorandum containing some suggestions which I thought might serve this purpose.
3/ This memorandum, copy of which is enclosed, was circulated among the members of the Diplomatic Corps. You will observe that I suggested the appointment by the Diplomatic Body of four standing committees, the members of which are to be selected from the Diplomatic Body, the members of the subordinate staffs of the various legations, as well as from among the representatives of the various unofficial interests here, such as the banks. These suggestions have been adopted and the committees are about to be named.

As of interest in showing the diversity of opinions held by the representatives of the various governments here, and the consequent difficulty in

4/ securing concerted action, I beg to enclose copy of the minutes of a meeting of the Diplomatic Body held on January 14, 1911. There is also attached to these minutes copy in translation of an interesting note of
5/ the same date addressed by Prince Ch'ing to the Dean.

The Chinese officials here apparently appreciate the necessity for taling measures to prevent the spread of the disease. They have been liberal in expenditure of money, and have done their best to obtain the service of competent doctors. The trouble is with the local officials and the people among whom the disease works its greatest ravages. They have no appreciation of sanitary or wuarantine measures. They seem helpless and hopeless. The details which reach us from Harbin are horrible, and indicate that the disease will only stop with the obliteration of the population in the native town of Fuchiatien. It is well known that much of the coolie labor employed in Manchuria comes from Shantung. As the New Year approached, and as the fear of the plague became more intense, thousands of these coolies started for their homes in Shantung. Many of them had been exposed or were in the incipient stages of the disease, and they spread it as they moved towards their homes. The railway from Peking to Mukden is under the control of the Chinese authorities. They have stopped all trains from Mukden to Shanhaikuan. Finally, a quarantine station was established at the latter place, which is in charge of foreign doctors. It is believed it is now doing effective work. The trouble is, it was not established until after some cases got to Tientsin and Peking. It is understood that this quarantine is supported by troops, and that guards have been placed at other places where roads from Manchuria pass through the Great Wall. It is the evident effort of the Chinese to stop the advance of the plague at the Wall; whether or not they will succeed remains to be seen.

In many sections of Peking and in the foreign concessions at Tientsin there has been a general cleaning of premises, both residential and business. Many of the foreign residents are being inoculated with prophylactic serum, and with proper precautions as to cleanliness and absence of contact with the natives, little fear is felt by foreigners. Fortunately the bacillus does not live long outside the body. Three hours exposure of the germs to the suns rays has been found to destroy them, and with the advent of warm weather in North China, the danger, it is believed will be passed.

In connection with this general subject, I
6/ beg to enclose copy of a note received by me from Prince Ch'ing of January 22, 1911, extending an invitation to the American Government, along with the other governments represented here, to send specialists to Manchuria, the seat of the plague, to make a scientific investigation of its cause, prevention and cure. Upon ascertaining the names of eminent American physicians in China, experienced in plague matters, I will communicate further with the Department and the Wai Wu Pu on the subject. I learn that the other governments will be represented on this commission by physicians of wide reputation and of acknowledged experience and ability. I think that out prestige requires that we have distinguished representatives on this commission.

I have the honor to be, Sir,

Your obedient servant,

AMERICAN LEGATION,
PEKING.

No. 175 February 23, 1911.

The Honorable,
The Secretary of State,
Washington.

Sir:

Referring to my telegram of February 18, 9 P.M. I have the honor to enclose herewith copy of the note presented by the Russian Minister to the Wai Wu Pu on the 17 th inst. containing a general protest against alleged violations of existing treaties by China, and insisting upon the latter's observance of Russia's rights; also a copy of China's reply thereto of the 20 th inst.

In compliance with the Department's telegram of the 14 th February, 1911, informing me of the proposed protest and instructing me to ascertain and cable the contents thereof, on the 17 th inst. I sent Mr. Heintzleman to make an informal call on the Foreign Office to obtain if possible a copy of the protest. I was promised a copy or an outline. I also called on the Russian Minister on the 18 th inst. with reference to the nature of the protest, and the substance of my conversation with him was transmitted at length to the Department in my telegram above referred to.

At the meeting of the Diplomatic Corps on the 13 th inst. the Russian Minister, just prior to the adjournment of the meeting, startled those present by stating that the plague in Manchuria was extending and was now approaching the Russian frontier along the Amur and Argur rivers; that as these rivers were frozen over, the Chinese were passing back and forth over the ice without restriction; that from this movement there was imminent danger of the plague's spreading into Siberia, and of extending to Russia proper and eventually throughout Europe generally. He stated, moreover, that the Russians did not have sufficient troops to guard the frontier, and thereby prevent Chinese moving to and fro over the rivers. He also mentioned the opium dens in these frontier towns as being plague centres, over which the Russians desired to exercise police supervision. He said also that Chinese cooperation could not be relied upon, and that he expected they would object to his request on the ground that the plan involved an intrusion upon Chinese sovereignity, and was political in its nature and purpose. He denied that any political purpose was intended, and asserted that an emergency existed which made the step advisable and necessary. He therefore asked that his colleagues support the proposed request. The German Minister suggested that the Russian Minister go to the Foreign Office, and make his request; and in the event of its being refused, that the British and French Ministers accompany him to the Wai Wu Pu and ascertain if some satisfactory cooperation could not be secured. I am told the Russian Minister presented his demands to the Foreign Office, since which time nothing further has been heard on the subject. The British Minister, in a conversation with me on the 18 th inst., said that he regarded the matter as one of such serious importance that he would not go to the Foreign Office as suggested without previous authority from his government.

On February 15, 1911, two days subsequent to the meeting of the Diplomatic Corps, the Dean circulated a letter, dated February 12, 1911, addressed to him by the Russian Minister, a copy of which is enclosed, In being circulated this letter reached me first, when I made the following notation under the Dean's transmitting letter: "I hope some measure of cooperation between the two governments, consistent with the rights of each, may be adopted, whereby the very much desired end may be effectually secured".

The Chinese Government is greatly agitated by these emphatic protests of Russia, and for the moment plague and famine, opium negotiations with Great Britain, and the disturbed situation on the Burmah-Yunnan frontier have been eclipsed by the more pressing questions. Russia could not have chosen a more favorable moment for pressing her demands, as the present time finds China seriously embarrased by domestic troubles, and involved in important foreign negotiations. As is indicated in the reply of China to the Russian Government, and as was inevitable from the beginning, China has submitted to the will of Russia, and unless the European nations disapprove and interfere on China's behalf- which is extremely unlikely, there is not much prospect of a modification of Russia's demands.

Russian political activities here and in Northern Manchuria and Mongolia, and Japanese aggression in Southern

Manchuria bear directly on the important questions now being negotiated between the American and Chinese Governments, especially on the question of the national currency loan. It has only been since the occurrence of these recent events pertaining to Manchuria and Mongolia that the Chinese have assented to quadruple signatures and a single adviser. Both Duke Tsai Tse and Sheng Kung Pao admit that it is the urgency of the need of money to be expended in Manchuria, growing out of the serious political situation there, that has induced them to submit to our proposals respecting quadruple signatures and a financial adviser. When these promises are carried out, the financial cooperation of the groups of the four neutral powers will be assured, and the mutual understanding regarding future China loans, as provided by the terms of the London Agreement of Nov. 10, 1910, will be effected. As a corollary to joint financial cooperation, the hope is entertained that there will follow a close cooperation diplomatically on the part of the four powers sincerely interested in the maintenance of Chinese sovereignty.

I have the honor to be, Sir,
Your obedient servant,

Enclosures:

(1) Russia's note to China, Feb. 17, 1911.
(2) China's reply to Russia, Feb. 20, 1911.
(3) M. Korostovetz to the Dean, Feb. 12, 1911.

(The Russian Note to China.
(Translation of Chinese text.)

Delivered by the Russian Minister in person, Feb. 16,1911

My Government, in view of recent negotiations between the two Governments, understands that the Chinese Government is unwilling to respect the Treaty of the 7th year of Kuanghsu (18881). There are several articles in this Treaty which the Chinese Government and the Chinese local officials disregard, and there are several otherswhich are interpreted contrary to the spirit and letter of the Treaty. Since the Chinese Government treats my Government thus in the matter of the Treaty of the 7th year of Kuanghsu, it is to be inferred that the long-standing friendship between the two countries is in danger of not continuing as of old. Now, as it is hoped, that this friendship may continue firm as at first, it is necessary to speak plainly and to ask your honorable Government to declare plainly whether or not China acknowledges the obligation to respect the Treaty of the 7th year of Kuanghsu (1881). Now, six articles are enumerated below in which definite agreements are entered into regarding the intercourse between China and Russia contemplated in the Treaty.

1. The treaty of the 7th year of Kuanghsu and other treaties do not limit the prerogative of the Russian Government to establish an export and import tariff on goods outside the zone measuring 100 li (33 1/3 Miles) from the boundary. The two Empires have agreed that, within the 100 li zone the traders of the two countries may at will transport the goods of their respective

countries without payment of duties.

2. Russian subjects living in any Chinese locality have extra-territorial rights and are subject to the control of Russian officials only. Cases in law between Chinese and Russian subjects shall be adjudicated by Russian and Chinese officials acting conjointly.

3. In Mongolia and throughout the Northern and Southern circuits of the T'ien-shan beyond the pass, Russian traders have the right to travel without restriction and to buy and sell goods of all nations free from all direct or indirect taxation and all disabilities and restrictions.

4. In addition to the consulates already established, the Russian Government has the right to appoint Consuls at Kobdo, Hami, and Ku-ch'eng. Although China should first be consulted, yet now, in the above places, the cases in litigation between Russians and Chinese are sufficient to prove that my Government can delay no longer the exercise of its right.

5. Every Russian Consul within the territory under his jurisdiction is entitled to be treated by the Chinese local officials in accordance with his rank, and the said local officials may not evade their responsibility to cooperate in adjudicating cases between Russians and Chinese.

6. The Russian Government has the right to establish consulates in Mongolia and in the Northern and Southern circuits of the T'ien-shan at Ili, Ta-ch'eng, Kulun, Uliasutai, Kashgar, Urumpsi, Kobdo, Hami, and Ku-ch'eng. At all these places and at Kalgan Russian traders are allowed to purchase land and build houses.

My Government now is under the necessity of declaring to the Chinese Government that if the Chinese Government is not willing to acknowledge the obligations enumerated in these six paragraphs or to carry out any of the actions specified in any one paragraph, my Government will regard this as showing that China does not desire to continue friendly relations according to the Treaty. My Government will therefore reserve to itself the liberty to take suitable measures to meet the encroachments upon the privileges of the Russian Government and the Russian people.

China's Reply to Russia.

His Imperial Highness and the Ministers of the Wai Wu Pu have carefully perused the Note presented to them in person by His Excellency the Russian Minister on the 18th day of the first moon of the thrid year of Hsuant'ung and have the honor to reply seriatim to the different points mentioned therein.

1. Regarding the provision that within one hundred li of the boundary between the two countries merchants of both nations are permitted to import goods of their respective countries free of duty, it has always been enforced in accordance with the treaties. As to the point that there has been restriction of customs tariff outside the hundred li district, the Russian note is not clear in its inference. If it has reference to the Chinese despatch of the 23rd of the 11th moon of the last year of Hsuan-t'ung, then it should be understood that it was a request made in compliance with a general prayer by Chinese merchants to the Russian Government to take into consideration the views of the merchants and to postpone the execution of the tariff, so as to demonstrate the feelings of friendship. Moreover, the Russian Government acceded in part to the request and there should, therefore, be no misunderstanding that any restriction was intended.

2. The civil and criminal procedures regarding Russian subjects in Chinese territory are expressly provided in Article XI. of the Treaty of the seventh year of Kuanghsu (1881), which have always been enforced in accordance with the said treaty, and the Wai Wu Pu does not dissent therefrom.

3.

3. Article XII. of the Treaty of the seventh year of Kuanghsu (1881) provides that Russian subjects are authorised to carry on trade in specified places in Mongolia free of duty for the time being; that Russian subjects are also allowed to carry on trade in Ili, Tarbagatai, Kashgar, Urumtsi, and the cities situated in the south and north of the Tienshan range outside the Great Wall, also temporarily free of duty; and that this immunity will be abrogated when the development of trade necessitates the establishment of a customs tariff, to be agreed on by the two Governments. The treaty further provides that in the Chinese places mentioned above Russian subjects shall be permitted to import and export goods. Such are the provisions of the Treaty, and China has strictly observed the matters enumerated in this article.

4. Regarding the three places Kobdo, Hami, and Gutchen, Article X. of the Treaty of the seventh year of Kuanghsu clearly declares that Russian consulates are to be established therein only when trade shall have developed and after an understanding with the Chinese Government. In case after investigation of the present conditions of the three places it is shown that trade has in fact developed there, China is fully prepared that additional consulates be established in the said places, but the two Government must proceed in conformity with the development of commerce as expressly provided by Article XII. of the aforesaid treaty.

5. Regarding interviews between Chinese local authorities and Russian consuls, Article XI. of the Treaty of the seventh year of Kuanghsu already provides

that the rules will be based upon the respect which the functionaries of friendly powers owe to each other, and that rules can be drawn up in accordance with general practice regarding their corsesponding official standing to ensure mutual satisfaction.

As regards to controversies subject to joint examination and decision of Chinese officials and Russian consuls the procedure should be in accordance with the provisions of Article XI. The Wai Wu Pu undertakes to further instruct the local authorities to devote particular attention to this point.

6.

In the several places and Kalgan where Russia is by right entitled to establish consulates according to treaty, action shall be taken in conformity with Article XIII. of the Treaty of the seventh year of Kuang-hsu.

Referring to the six items mentioned, the Imperial Government take no exception to Russia's enjoyment of rights to which she is entitled according to treaties. In cases, where local Chinese officials and Russian consuls in their official relations have failed now and then to come to an agreement, the Wai Wu Pu has without exception instructed the local officials to arrange a settlement without prejudice or bias, and has never ignored any such matters. On account of contrary reports regarded by both parties as premises of argument, there may have been mutual contentions, but this is a common occurrence in international intercourse., Such variance of opinion cannot be construed to be disagreement with regard to the interpretation of treaties. In all these matters the two Governments may well consult with each other from time to time so as to come to an equitable esttlement.

The statement in the Russian note that the Imperial Government are unwilling to continue in their friendly relations with Russia in conformity with the Treaties in incomprehensible. The statement that Russia resrves to herself the liberty to select the most effective measures for the regainment of her treaty rights is not such as will tend to consolidate the friendly relations existing between the two Governments. It is to be regretted that the Russian Government should adopt such an unexpected attitude towards China.

The Russian Minister is requested to communicate to his Government the above Chinese reply and the assurances that it has always been the policy of the Chinese Government to be guided in all matters by treaty stipulations. The Imperial Government express their earnest desire to observe strictly treaty provisions in a;l matters and to settle them in an amicable manner, with the view to preserving the rights which both Powers are entitled to enjoy and to consolidating the existing friendship between the two countries.

AMERICAN LEGATION.
PEKING.

No. 177 February 23, 1911.

Ack May 10, 1911x

The Honorable,
The Secretary of State,
Washington.

Sir:

With reference to my numbers 175 and 176 reporting on the recent demands made by Russia on China, and also on the critical political situation in Manchuria, growing out of the plague, which is resulting in acts of aggression on the part of Japan, I have the honor in this connection at this time to call attention to the present grouping of the Powers in their relation to the policy of the "open door" and the maintenance of the integrity of the Chinese Empire.

Should the four groups become signatories to the national currency loan, as is now likely, I am of the opinion that a new chapter may perhaps be begun in the history of the "open door". ~~Since~~ after financial cooperation is assured and a mutual understanding affected, there ~~could~~ will be no further competition and lowering of terms, and no new rivalries between the banking groups of the powers, similar to the scramble during the period from 1895 to 1905 for spheres of influence and concessions, which

Mr. Hay arrested but did not stop. Where Mr. Hay limited his diplomatic action to securing individual assurances from the several nations regarding the limitations to which they were ready to subscribe in their ambitions here, it would seem that the necessary foundation is now laid, by the financial cooperation referred to above, to enlarge the scope of our former efforts by obtaining a close cooperation on the part of the four powers sincerely interested in the maintenance of Chinese sovereignty.

The China of 1911 presents, particularly in the grouping of foreign powers, vital differences to the China of 1900. At that time Russia seemed the dangerous factor, with France and Germany following not far behind. Great Britain's and Japan's aspirations for spheres of influence were in the one case certainly half-hearted, and in the other apparently so. Moreover, no understanding had as yet been effected between Great Britain and France, and thus colonial rivalry was still in a dangerous phase. At present, Russia, even in the face of the recent demands upon China, appears less as a disturbing factor than as desirous of preserving her privileged position in North Manchuria, and keeping at a safe distance possible causes for future interference. Germany doubtless realizes the danger of her exposed position in Shangung and neither France nor Great Britain, I am of the opinion, desires to assume new territorial responsibilities, notwithstanding present evidences of activity on the part of these powers on their Yunnan frontiers. Yet the possibility cannot be lost sight of, that in the event of fresh complications arising, these same powers, against their wiser inclinations, may find themselves plunged into the vortex, and compelled to embark unwillingly on new policies of adventure. This danger arises from the aggressive tendencies of Japan, referred to in my number 176 of today's date. To attempt to dislodge her from her position in Southern Manchuria is unfeasible, and I think all we can hope to do is, by purely diplomatic means, to so retard the process of her absorption there as to give China an opportunity to stand on its feet. The fate of the three Eastern Provinces is, however, intimately linked with the fate of this Empire, and if ever China is able to assert its own, it will not be long before Japan and Russia find their position untenable. But that prospect is too far removed still to deserve present consideration. The actual problem is, not how to save Manchuria, but how to save China, in the face of the storm which is likely to burst within the next decade, certainly before the expiration of the lease of the Kuantung Territory in 1923.

The peril lies in the fact that, without concerted action or policy agreed upon beforehand by the neutral powers, Japan may either stir up the forces of sedition here to precipitate a crisis, or more likely, in the event of trouble, bolster up the tottering dynasty and make herself the guarantor for its maintenance on the throne, with all that is comported by such protection. I am advised from an unusually well-informed source in Shanghai that the return of M. Ijuin, the Japanese Minister here, on leave of absence to visit Japan, has to do with the formation of a Sino-Japanese alliance. This is scarcely credible except on the theory that the Prince Regent and the clansmen, realizing their weakness, are willing in return

for

assurances as to the consolidation of the Throne, to sacrifice the country. It was also reliably reported that on the deaths of the Empress Dowager and of the Emperor of China in November 1908, The Emperor of Japan assured the Regent that he approved his assumption of office, and would support the Throne should it be necessary to do so. While these rumors may have no foundation in fact, it must be evident to any close observer of political conditions in the Far East that a sudden crisis here, coupled with the situation presented by the policy of drift pursued by Europe, the jealousies between the different powers, the lateness of the moment to arrive at a mutual under-standing, are likely factors in creating a state of affairs , where it will be too late to stem the tide, and where against every desire the European powers will be plunged into the series of adventures which the disintegration of this Empire would present.

It seems to me that our aim should be to guard against such a danger, which the ambition of Japan, and the disturbed condition of China is likely to offer in the near future. The only remedy in sight, appearing both possible and safe, is that offered by the co-operation with the three European powers whose interests in China, in spite of other alliances and understandings, are identical with ours. Our policy in the Far East must necessarily be a diplomatic and not a national one. The country at large would hardly feel that its vital interests here, or the question of the "open door" were of sufficient importance to warrant risking war, or going to further lengths than in 1900. Such diplomatic action, however, in so far as it was connected with that of Great Britain, and France and Germany, who, if only because of their position in

Europe would be as disinclined for war as ourselves, would benefit by their accumulated strength, without presenting the surfaces of weakness inseparable from individual action particularly when the latter balks at war. Moreover, by virtue of our position of even friendliness toward Great Britain and France on the one side, and Germany on the other, we would naturally assume the leadership of such a group. For reasons of Continental order, we are the only power that can properly bring about such a concert to work in harmony here. If an under-standing of this nature were possible to effect, it would go far in preserving peace in the Far East.

To the argument that such a policy would indicate treachery towards China and that we would lose the benefit of our present position, it is easy to reply that by virtue of our relations with the other powers, we would occupy a position of greater usefulness to China, than by pursuing an individual action toward a Government as weak, as corrupt, as ignorant and as unstable, as this is, where our motives are at all times liable to misconstruction. While so far as sacrificing commercial benefits which we may temporarily enjoy, these are likely to be speedily curtailed by competition, even if no other causes were present. We cannot forget that to several of the foreign interests her, and notably to the Hongkong & Shanghai Bank, existence in China is a matter of life and death,- while our own financiers have not yet demonstrated that their entrance into this field is more than a passing phase of activity.

These reasons make diplomatic co-operation seem so desirable, from the different points of view by which it can be tested, with financial co-operation as the necessary foundation on which to build the wider policy. Nor would it seem an impossible achievement to bring this about. It would have to be made apparent that our action in aiming to establish such an understanding among America, Great Britain, Germany and France was not directed against Russia. Both Great Britain and France are at present inclined to be alarmed at the recent strides of Japan and her hardly concealed ambitions, manifested in the annexation of Korea and the new Japanese tariff, but neither wishes to imperil its relations with Russia. If it were made plain that the preservation of the "status quo" were the only ultimate goal aimed at, and it was clearly brought out that there was no attempt to challenge Russia's or Japan's present situation in Manchuria, such overtures on our part would not be likely to encounter this objection.

I have the honor to be, Sir,

Your obedient servant,

No. 189 February 28th, 1911.

The Honorable,
The Secretary of State,
Washington.

Sir:

In continuation of my No. 175 of February 23rd, 1911 on the subject of Russia's recent note to China and of China's reply thereto, I have the honor to submit the following analysis of the notes, and some observations on the likely real causes of difference between the two countries.

Of the numerous questions awaiting settlement between the two countries, the one of the opening of consulates in Mongolia by Russia is probably the most pressing. A perusal of the Rusian note goes far to confirm this impression. With a view, therefore, to lending a better understanding of the terms of the notes, I think it advisable, perhaps, to summarise briefly the matter of the establishment of consulates before proceding to an examination of the notes.

Before the Treaty of 1881 between Russia and China, the former had consuls at Ilifu (Kuldja), Tarbagatai, Kashgar and Urga; and by this treaty two other towns were added - Suchou (Tsia-yu-kwan) on the Kansu border, and Turfan in Sinkiang or the new Dominion. The Treaty of 1881 also provides that consulates might be established by Russia " in prpportion to the development of commerce, and after an understanding with the Chinese Government" in the following towns: Kobdo and Uliassoutai in Mongolia; and Khami, Urumtsi and Hucheng in Sinchiang.

I am told by a member of the Foreign Office that Russia is not demanding the opening of Kobdo, one of the places mentioned above, where, with the development of trade and with China's consent, Russia may appoint a consul, but is pressing China for permission to establish a consulate at Cheng-hua -ssu, a point some 570 miles distant from Kobdo. I am unable to find Cheng-hua-ssu on any maps available here, but am informed that it is near the Altai Mountains. Russia claims that the treaty provisions relating to Kobdo embraces that whole section of Mongolia which claim China of course controverts. The Chinese state that Russian trade at Kobdo is very small and that the Russians themselves admit that it is not sufficient to warrant the establishment of a consulate there. It is seen that Russia first, therefore, demanded the establishment of a consulate at a point in the Altai Mountains, and later altered this demand by asking specifically for a consulate at Cheng-hua-ssu.

It appears from Chinese sources that the Chinese Imperial Agent or Amban, formerly stationed at Urga, now spends his time between Kobdo and Cheng-hua-ssu, principally at the latter place. As there is very little trade at Kobdo and as Cheng-hua-ssu has become the chief trade center as well as the political headquarters for this section of Mongolia, it is only natural that the Russians desire to have a consulate there.

The Russian note of February 16th, 1911 contains six articles.

1. China is charged, by implication at least,

with attempting to restrict the right of the Russian Government to prescribe a customs tariff on goods outside the fifty verst free zone. This probably means that the Chinese have been endeavoring to evade the Russian tariffs.

The Chinese state there is no warrant for any suggestion of any improper act on her part, that China had at the request of her merchants asked Russia to postpone the execution of the tariff upon Chinese merchandise going into Siberia. I am informed by the Chinese that many complaints have been received from Chinese merchant bodies that the Russian tariff was inordinately high, sometimes three and four times the value of the goods, and that because of these complaints China made friendly representations to Russia, and in response Russia acceded in part, both by postponing the tariff and by making some reductions, particularly for trade passing from Chinese territory into Russian Territory west of Irkutsk. China maintains that the matter complained of contains no possible basis therefor.

2. Russia demands for her subjects the full rights of extra-territoriality wherever they may be in China. The Chinese state that they have never denied or abridged these rights but have always recognized the extra-territorial rights of Russian subjects as of all other foreigners in China.

3. Russia demands that throughout the whole region of Mongolia and Sinkiang on both sides of the Tienshan Mountains range Russian subjects shall be granted (1) freedom of movement and trade, (2) freedom from taxation, and (3) freedom from all restriction by monopoly or other measures.

The Chinese

7 The Chinese state that these demands far exceed any of Russia's treaty rights. They assert that to grant these would be tantamount to granting to Russian a monopoly of trade, since "goods of all nations" would of course include Chinese goods. The claim that Russia shall be exempt from all taxation, direct or indirect, upon merchandise handled by them would mean, the Chinese assert, giving Russian merchants privileges and exemptions far exceeding anything that can possibly be derived from any fair and impartial construction or interpretation of the terms "trade free of duties", and "freedom of trade" . The former of these terms covers only exemption from customs tariff duties and the latter only the right to trade. The former immunity is to be abrogated when the development of trade necessitates the establishment of a customs tariff to be agreed upon by the two governments. China limits her responsibility to the provision of Article XII of the Treaty of 1881.

4. This article declares that although the Treaty of 1881 in Article X provides that Rusian consulates are only to be established in the three places enumerated when trade shall have developed and after an understanding with the Chinese Government, yet because of the many cases in litigation that have arisen the Russian Government cannot further delay establishing the consulates proposed.

China replies that in case it is shown that trade has actually developed in the three places named, she is prepared to consent to consulates, but the two Governments must proceed in conformity with the development of commerce as expressly provided by Article XII of the same Treaty, that is, establish customs stations at the same places.

5. 5. This article demands that the Russian consuls be treated by the Chinese officials according to their rank and that the Chinese officials must not decline to cooperate with the Russians in the adjudications of cases arising between Russians and Chinese. China aserts this has always been done and limits her responsibbility regarding the procedure to be followed in the joint examination and settlement in the controversies to the provisions of Article XI of the Treaty of 1881.

6. Russians have the right to buy land and build houses at the points where they have consulates, and at Kalgan, as provided by the Treaty. China in reply asserts that this provision has always been respected and again limits her responsibility to the provision of Article XIII of the Treaty.

The Chinese note concludes by stating that China takes no exception of Russia's treaty rights. In cases where the local Chinese officials and the Russian consuls have failed to come to an agreement, the Wai Wu Pu has always instructed the local officials to arrange an equitable settlement. A variance of opinion growing out of two conflicting reports presented by the two parties to a controversy is common. It is, moreover, inevitable that many troublesome cases should arise between two countries with more than one thousand miles of common boundary.

China states that Russia's insinuation of the former's unwillingness to continue friendly relations with the latter in conformity with the treaties is incomprehensible, and that Russia's unveiled statement that she reserves the liberty to select the most effective measures for the restoration of her treaty rights is not calculated to consolidate the friendly relations existing between the two countries. China states that she is guided in all these matters by treaty stipulations and her reply ends by stating that the unexpected attitude adopted by the Russian Government towards her is to be regretted.

Mr. Hu Wei Teh in a recent conversation with me at the Wai Wu Pu regarding this incident stated that China finds on investigation of her records that the violation of treaty obligations has been far more serious on the side of Rusia. He cited among other incidents the driving of thousands of Chinese out of towns and villages on the east side of the Amur River in 1900, in face of the fact that the treaties give the Chinese specific rights of continued residence and protection there; also that although Russia promised to indemnify Chinese subjects for property destroyed and damaged by Russian troops in the Russo-Japanese War, Russia declines to pay any attention to these claims.

To revert briefly to the matter of opening consulates: The most important feature of this question is that China insists that according to Article XII of the Treaty, when trade has sufficiently developed (the time when such development has been reached China holds would be indicated by the appointment of a consul) the free trade or immunity from customs taxation shall cease. China does not object to the appointment of consuls, but will insist upon the corresponding treaty right to open customs stations at the same time.

Russia is said by Hu Wei Te to assert that the treaty of 1881 represents a quid pro quod of special trading privileges and exemptions to Russians in return for for the retrocession of Ili and that Russia has a right to insist that this quid pro quod be maintained in the proposed revised treaty. On the other hand Mr. Hu asserts that the treaty was wholly one-sided with regard to special privileges, all that the Chinese secured was the retrocession of Ili for which Russia was more than liberally paid in money and territory at the time. Mr. Hu further stated his belief that this Russian contention is fully answered by the treaty itself which was made terminal after ten years, with a possible revision, or else continuance for another ten years, or in other words that the Russian Government at the time the treaty was negotiated in 1881 was completely satisfied with the ten or twenty years privileges and exemptions she secured.

The Chinese maintain that Russia is demanding more than she ever demanded before, more really than is granted in the treaty, and to secure this she is attempting to prevent the Chinese Government from denouncing her treaty with a view to complete revision.

It is evident from the conversation of Mr. Korostovetz with me, as reported in my telegram of Feb. 18th, 1911, that Russia is endeavoring to force China to admit in principle the concessions contained in the 1881 treaty, so that if there is to be revision, these same concessions may be insisted upon by Russia.

In this connection I recall that Mr. Korostovetz informed me that the Chinese had expressed a desire for revition of the treaty, declarded their purpose to denounce it on the 25th instant as a preliminary step to negotiations for revision, and suggested that adjustment of pending differences be postponed until such negotiations took place. It was then that the Russian Government insisted upon settlement of all complaints before any such negotiations began in order that the broad provisions or principles embraced in the present treaty be clearly recognized and established; otherwise China might contend in the negotiations for revision that those provisions upon which pending controversies rested, had been abrogated by common consent. He said that the important provisions which Russia wanted recognized and continued were contained in Articles X, XII, and XIII of the present treaty. The list of controversies which he had long ago presented to the Foreign Office involved questions of taxation, tariff duties, rights of merchants, recognition of consuls et cetera, which arose under the plain terms of the treaty. My conversattions with the Russian Minister and the Foreign Office show conclusively that the real causes of difference are not clearly mentioned in the notes. The one merely demands the fulfillment of certain treaty stipulations while the other replies that China takes no exception tp Rusia's enjoymeny of treaty rights.

The Chinese assert that at Harbin last year in the negotiations of the Provisional Regulations for the customs along the Sungari River, the Russians , when the Chinese endeavored to secure amendments favorable to China, put them off by suggesting that such questions should be left to this year, when the whole treaty will come up for revision.

It was with satisfaction that I learned from both the Russians and Chinese that Russia's note was not accompanied by any threats or display of military force.

There are enclosed two leading articles on this subject - one from the Peking Daily News of February 22nd, 1911, and the other from the North China Daily News of February 21, 1911. There is also enclosed an article from the China Gazette, a Russian subsidized newspaper published in Shanghai, of February 18, 1911. This article, which is written by deHoyer, the Russian Financial Agent in China, and stationed at Shanghai, is of more than ordinary interest and importance, and, it is also believed, might be of historical value, as it gives an authoritative summary of the present outstanding questions between Russia and China. De Hoyer is reported as being clever and as having had long experience in the Russian diplomatic service. There are also enclosed two articles on this subject from the Shanghai Times- one of February 18, and the other of February 20, 1911.

I have the honor to be, Sir,

Your obedient servant,

Enclosures:

Editorial, Peking Daily News, Feb. 22 & 23, 1911.
" North China Daily News, Feb. 21, 1911,
" China Gazette, Feb. 18, 1911.
" Shanghai Times, Feb. 18 & 20, 1911.

No. 219. April 11, 1911.

Ack. May 17, 1911

The Honorable
The Secretary of State,
Washington.

Sir:

I have the honor to enclose herewith a copy of the Russian note to China, dated March 24, 1911, and a copy of China's note in reply, dated March 27, 1911. This last note of China was accepted as satisfactory by Russia, much to the surprise of the foreign representatives here, and may be said to close the incident for the time being; that the trouble is finally and definitely settled is not generally believed.

The cause of the controversy between Russia and China, of which the notes in question are the last incident, may be briefly reviewed as follows:

When the Tai'-p'ing Rebellion was devastating south China in the early '60's, a rebellion broke out among the Mohammedan tribes in Shensi, Kansu and Chinese Turkestan By 1866 a Mohammedan chief, Yakub Beg, had succeeded in establishing a de facto independent government in central Asia.

The Russians took advantage of the disturbed condition of the country to occupy and annex Kuldja (Ili) and surrounding territory. However, in 1871, the Russian Minister at Peking is said to have assured the Chinese that the occupied territory would be returned to China if the latter succeeded in reestablishing her authority in central Asia. In that year the Chinese began the famous campaign against the Mohammedan rebels. General Tso Tsung Tang marched northwest through the provinces of Shensi and Kansu. He provisioned his army by stopping at different places on his line of march, where he cultivated and raised crops wherewith to feed the troops, and then proceeded on his way

In 1877 Yakub Beg was run down and killed, and by the early part of 1878 the Chinese authority was fully reestablished throughout all the territory which formerly belonged to China with the exception of the Kuldja district then occupied by Russia.

In December, 1878, China sent one Chung-hou as Ambassador to St. Petersburg to negotiate a treaty with Russia for the retrocession of the territory aforesaid. Chung-hou is represented to have been very ignorant of the geography of his own country, and of the methods of diplomacy. He was induced to sign a treaty by which Russia kept the greater part of the territory which she had occupied; and China agreed to pay some five million roubles for the expenses the Russians had incurred in making such occupation; and China also granted the Russians liberal trading privileges besides.

This treaty was rejected by the Chinese Government; Chung-hou was impeached and condemned to decapitation for having negotiated it; and after much negotiation Russia consented to a cancellation of this treaty, on condition that the unfortunate Chung-hou should be pardoned. China then sent another representative to St. Petersburg to negotiate another treaty, which resulted in the treaty of February 12, 1881, over which the controversy now under consideration has arisen.

The treaty so negotiated was more favorable to China in the fact that she recovered a larger portion of the occupied territory than she did under the former treaty. And this was the most impressive phase of the treaty to the Chinese mind. At the same time, Russia in other respects obtained about all the advantages she had secured from Chung-hou. China now paid Russia an indemnity of nine million roubles, and granted trading rights to Russia to a degree that can only be attributed to recklessness on the part of the Chinese, or to a pressure from Russia amounting to coercion. In other words, China made what is now regarded as a very onerous treaty. She realises it now and would like to escape from its burden.

In Article X of the Treaty of 1881 Russia is given the unconditioned right to establish consulates at Chia-Yu-Kuan and Tuffan in addition to the four towns of Kuldja, Tarbagatai, Kashgar and Urga, the right to establish consulates in which had been granted by previous treaties. It is further agreed that Russia shall have the right to establish consulates in the five towns of Kobdo, Uliasutai, Hanui, Urumptsi, and Ku Ch'eng "au fur et a measure du developpement du commerce, et apres entente avec le gouvernement Chinois" - "as trade develops and after arrangement with the Chinese Government." The Chinese version of the treaty reads "waiting until trade flourishes, the two nations first agreeing on them one after the other." Article XI provides for the official

official intercourse between the Russian consuls and the Chinese authorities and for the settlement of disputes between Russian and Chinese subjects by the cooperation of the consuls and the local authorities. Article XII Par.1) provides that Russian traders may trade throughout Mongolia without payment of duties and (Par. 2) that they may trade in the new districts of Ili, Tarbagatai, Kashgar, Urumptsi and throughout the northern and southern circuits of the T'ai Shan up to the Great Wall without payment of duties until such time as the development of trade may make necessary the fixing of a customs tariff, which shall be done only by an agreement between the two governments. Paragraph 3 stipulates that Russian subjects may import and export into and out of the above-mentioned territories goods of whatever origin ("de quelque provenance qu'ils soient"). This is rendered in the Chinese text "goods of every country" ("ko kuo huo wu").

The present trouble between Russia and China grows out of the different interpretations put upon Articles X, XI, and XII, summarized above.

A part of the difficulty between Russia and China is evidently due to obstruction and discourtesy which has been shown in carrying out the provisions of Article XI in which no principle is involved and no divergence in the interpretations of the provisions of the treaty. There is no means of knowing the details of the questions about which friction has arisen in this general matter of the relations between the Russian authorities and the local Chinese authorities, but the references to it in the correspondence between Russia and China indicate that whatever the difficulties have been, they can easily be adjusted.

In the controversy over the right of the Russian traders to deal in native Chinese produce free of duty throughout Mongolia and Chinese Turkestan, the Russians are undoubtedly in the right according to the terms of the the treaty. The French text of Paragraph 3 of Article XII is clear and the Chinese contention that "goods of every country" ("Ko Kuo Huo Wu") means foreign goods only cannot be maintained. The Chinese have yielded this in regard to all native produce except tea (See Par. 2 and 3 Chinese note of March 18, 1911). The Russians deny that they have ever agreed to the Regulations for the tea trade alluded to in paragraph 2 of the Chinese note of March 18, 1911. If they have not done so, or if the RussiansGovernment now repudiates the action of the Russian consul who agreed to the tea regulations, the Chinese will have to concede to Russian traders the right to deal in tea as in other products, according to the terms of the treaty.

As regards the establishment of consulates at Cobdo and the other places mentioned in Article X of the treaty, the statement of the conditions is so vague that it was to be expected that disagreement would arise as to when Russia had a right to establish consulates. In the Chinese note of March 8, 1911, the Chinese contend that the agreement mentioned in Article XII is connected with the question of opening these consulates. The Russians deny this in their note of March 14th, and the Russians are technically correct. Furthermore, the consulates seem to have been already established at Uliasutai and Urumptsi without waiting for the negotiations upon tariff arrangements.

In the Chinese note of March 18th the Chinese Government yields this point as far as the one town of

Cobdo is concerned, and agrees unconditionally to allow the Russians to establish a consulate there. At the present stage of the negotiations, therefore, the Russian claims still unsatisfied are the right to deal in tea in Mongolia and Chinese Turkestan, and the right to open consulates in Hami and Ku-ch'eng as at Cobdo.

Bu Article XV it was provided that the commercial stipulations of the treaty, and the regulations supplementary thereto, could be revised after an interval of ten years, provided within a period of six months before the expiration of this term either party manifested a desire for a revision; otherwise the trade stipulations and regulations should continue in force for a new term of ten years. The Chinese construed this provision to mean that the trade stipulations might be revised at the end of every consecutive and subsequent ten year period, provided the desire to do so was manifested within the six months previous. It is not understood that the Russians dispute this construction.

From the Russian Minister here, I learned that sometime ago the Chinese, either formally or informally, notified him of their desire to revise these trade stipulations; at least the Russians anticipated some move of that kind. The Minister complained that the Chinese had ignored, and in many instances had violated the stipulations in the treaty; and that a great number of complaints on account of such violations had been received by his Government from Russian merchants. In anticipation of a revision, his Government had instructed him to present these claims, not only for the compensation their merits justified, but in order that the principles involved might be established, preliminary to negotiations for revision. He had, therefore, early last fall, presented a list of claims and asked for their recognition and adjudication. But he was unable to get any satisfaction from the Chinese; they were both dilatory and evasive. They proposed that consideration of these claims be postponed until a revision of the treaty was had, when they could be disposed of at the same time. To this proposition the Russians objected. The Russian Minister said his Government had been indulgent toward China in the latter's non-observance of the treaty obligations. It was not proposed that China should take advantage of this indulgence by the possible insistence, when they came to negotiate the revision, that Russia had tacitly consented to the abrogation of certain provisions by allowing their violation to pass by without dissent. It was proposed that the claims be settled or that the principle involved therein should be recognized before negotiations began for a revision of the treaty. After persistent effort to secure adjustment or recognition of these claims without receiving any satisfaction, he said, he had reported to his Government that he could do no more. Then followed the exchange of notes, which, on the part of Russia, became more and more peremptory in tone, and suggestive of a resort to force if the demands were not recognized.

The Russian note of March 24th was regarded as an ultimatum, and the reply of the Chinese, dated March 27th, was accepted by Russia as satisfactory. While the Russian note plainly indicated a disposition no longer to allow the Chinese to trifle with the subject, it was so confidently believed that China would finally yield to the demands made, that no serious significance was given to this note beyond waiting with a measure of curiosity for the Chinese reply.

When this reply came, it seemed to be the current opinion among the legations here that it would not be accepted by Russia as sufficiently explicit. It was not until then that the situation took on a serious phase. As I telegraphed the Department on March 28th, Count Rex, the German Minister, called upon me and expressed the fear that war was imminent. He thought that Russia would not accept the last Chinese note; that Russia really wanted war, and that the evasive or ambiguous replies of the Chinese furnished an apparent justification therefor. He also seemed to think that Japan and Russia, while not cooperating, had a full understanding with each other; and that we might expect a movement of the troops of both nations across the borders of Manchuria and of the Russians into Mongolia.

It is seriously questioned here whether Russia disclosed her real purpose for the demands made upon China, or whether the questions in issue are really settled. Russian trade interests in the Ili country are not now, and are not likely to be, in the near future, of sufficient importance to have provoked this threatened assault upon China. By many it is thought that since the war with Japan, Russia has been quietly nursing her wounds and recuperating her energies. Her policy towards China has been passive rather than aggressive. While China, on the other hand, has acted towards Russia as though the latter was not only a defeated power, but a negligible force in the world's affairs.

It is therefore thought by some that Russia's only purpose was, in anticipation of a revision of the trade stipulations of 1881, to so assert herself so as to reinstate her influence in China's affairs, and to command the latter's fear and respect; also to insure the retention of all the onerous provisions of the present treaty in any revision that may be made. It is very probable that this is the correct interpretation to be given. From the mass of verbiage used in China's last note, Russia notes the following sentence: "Therefore the Chinese Government does not disagree with any of the points specified in Your Excellency's note of February 16th." This, Russia interprets as a full admission of her demands, and with that she expresses herself as content.

Whether or not Russia will press for further acknowledgment of her claims, or for pecuniary compensation, or whether she will quietly await proposals from China to revise the treaty remains to be seen.

I have the honor to be, Sir,

Your obedient servant,

W.J. Calhoun

Enclosures:

Russian Minister to Prince Ch'ing, Mar. 24, 1911

Prince Ch'ing to Russian Minister, Mar. 27, 1911.

AMERICAN LEGATION,
PEKING.

No. 228. April 26, 1911.

The Honorable
The Secretary of State,
Washington.

Sir:

Referring to your telegram of April 1, 5 P. M. , and to my reply of April 3, 5 P. M., both of which had reference to the establishment of an International Sanitary Commission in Manchuria, I beg to make the following comments.

Ever since the plague broke out in Manchuria, the situation there has been both tense and critical. I am safe in saying that, among all the legations in Peking, there was a general feeling of apprehension as to what might happen. The fear was entertained that the Chinese would not be able to cope with the situation, and that the Russians and Japanese would take advantage of the emergency to assume a larger administrative control, which, once secured, would never be relinquished.

The want of knowledge and experience on the part of the Chinese in such matters; their lack of appreciation for modern sanitary measures; their distrust of foreigners generally and of foreign doctors in particular; their dislike of outside interference with their internal affairs; the fatalistic spirit in which they are wont to meet epidemics of every kind; their habit of huddling together in the winter time in large numbers amid the most unsanitary conditions; their reverence for their dead, and their disposition for elaborate funerals, all combined, suggested to the minds of all foreigners the utter inability of the Chinese to handle the terrible situation with which they were confronted. It was therefore a general apprehension that political results of grave import might develop, which would go far towards determining the fate of Manchuria.

The Foreign Office here evidently understood the danger, and appreciated the necessity for an active campaign against the ravages and spread of the plague, so as to avoid the necessity or assumed justification for outside interference. Sao-ke Alfred Sze, a Junior Vice President of the Wai Wu Pu, was put in charge of the work. He is a young man, of good address and with some executive ability. He was educated at Cornell, is conversant with foreign ways and is appreciative of the superiority of foreign sanitary methods. He had also been Taotai at Harbin for some time, and, therefore was acquainted with the local conditions at that radiating center of the disease. I had several interviews with him, when I met him on social occasions, in which I urged the necessity for active and effective work upon the part of the Chinese, in order to prevent any excuse for interference by either Russia or Japan, or both, under the plea of necessity for the protection of their respective local interests, or for the prevention of the spread of the plague to Korea or Siberia. He promised that neither money nor effort would be spared to meet the demands of the situation. And, I think, he made good his promise.

Doctor Wu Lien-teh, of Tientsin, was sent to Harbin and put in charge of the preventive work. He was educated in England. He is a graduate of both scholastic and medical universities of that country. He has made a specialty of bacteriology, and studied in both French and German laboratories. He is the chairman of the medical conference now in session at Mukden. He took with him several foreign and native doctors, most of them connected with medical missions here in Peking and elsewhere.

At first Doctor Wu met with great opposition from the people, including the local officials and gentry. They refused to cooperate with him, and put every possible obstruction in his way. The report came back that both he and his assistants were coming home, having given up in despair, and were leaving Fuchiaten, the Chinese city, to its fate; and that was its probable extinction by the death of all of its inhabitants. It was also reported that the Russians were complaining of the inefficiency of the Chinese administration, and that they proposed to move troops across the borders of the railway zone and surround Fuchiaten with a military cordon, so as to prevent any one going in or coming out of the pest infested city.

But the local authorities here met the situation promptly and with great resolution. The obstreperous officials were removed, and new ones were sent there with instructions to cooperate in every way with Doctor Wu and his assistants. The people were instructed as to the nature of the disease and as to the necessity for the preventive measures prescribed. Hospitals and isolation camps were provided and an efficient corps of hospital and police assistants was organized. And, apparently, everything was done that could have been done to arrest the spread of the disease. The only criticism to be made is, perhaps, that the work was not commenced soon enough. Doctor Young, one of the most intelligent of the missionary doctors, who went to the infected district, told me, on his return to Peking, that the Chinese work in Harbin was not only effective but was much superior to that done by the Russians. Equally good work was done at Mukden and at Chang chun. The Chinese also established and maintained a fairly good quarantine at Shanhaikuan, and along the Great Wall, with a view of stopping the movement of the infected coolies to the south.

At Tientsin and Peking, I think the local authorities acted with commendable promptness and effectively prevented the spread of the disease. There is no doubt but that better climatic and sanitary conditions which obtain in both these places made it easier to control the situation.

As I reported in my telegram of February 18, 9 P. M., the Russian Minister here asked his diplomatic colleagues to support him in a request to be made upon the Chinese Government that Russia be allowed to establish military posts on the Chinese side of the frontier line between the two countries. The reason assigned was that the plague was spreading towards Siberia; that there was imminent danger it might spread to European Russia, and thereby imperil the safety of all Europe; that the Amur and Argour rivers were frozen over, and Chinese coolies passed freely back and forth, over the ice, and would probably carry the disease into Russian territory; that the Russians did not have troops enough in that section to patrol and guard the frontier; that the local Chinese administration was both indifferent and inefficient; that at the populous centers on the Chinese side, opium dens of the most unsanitary character abounded, which were plague breeding centers; therefore, it was necessary, in order to suppress the plague, that close military surveillance be had over these places, and by posting Russian troops at the populous centers on the Chinese side, police control over them and over the movements of the coolies could be exercised.

The Russian Minister disclaimed any political purpose in making this request, denied any intent to interfere with China's sovereign rights, but asked the support of his colleagues in this instance because of an existing emergency, wherein human life was involved, not only in Russia, but throughout all Europe. This incident occurred in the darkest hour of the plague, when it was raging most fiercely in Harbin, when the outlook for its suppression or for the prevention of its spreading, seemed almost hopeless.

While they had no good reason to doubt the sincerity of the Russian minister, I think all of his colleagues regarded the request unusual, and involving a dangerous precedent; one which would incite Japan to make a like request, doubtless one of a more extended application.

whatever hold upon Manchuria these powers would thus secure, would never be relinquished.

On the other hand the emergency was a serious one. The inability of the Chinese to successfully meet it was, at the time, generally conceded. That there was much reason for asserting the necessity for protection to adjacent territory was admitted. We were close to the plague. Grewsome tales of its ravages came to us almost daily, and impressed us with the hopelessness of the situation. To refuse to support the request for protection thus made would appear to be ungracious, and, perhaps, be construed as making a question of political expediency of more consideration than the protection of adjacent territory from the ravages of a great terror. Besides, it then seemed probable that the plan suggested was the only practical way in which to secure the protection desired. I was much embarrassed by the situation. There were no American interests of any great value to be considered, and I did not want to be the only one to make objections. But all of my colleagues seemed to be equally embarrassed. A short period of absolute silence followed. Finally, the German minister, quicker than the rest of us, suggested that the Russian minister go himself to the Wai Wu Pu and present his request. If it was denied, then the British and French ministers might go with him and supplement his request by their support. To this proposition a weak assent was given. The British minister, as Dean, rather hesitatingly and feebly inquired if his colleagues consented. No very decided response was made, but no positive dissent was expressed. I said nothing. The Dean looked at me inquiringly, and then in

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halting tones said he would accept silence as the equivalent of consent. I was willing to let it go at that, because I saw the acquiescence was so reluctant that it did not mean much. I felt sure the Chinese would refuse, and there would be time for consultation, and communication with our respective governments before any decisive action would be taken. My surmise proved correct. The Russian minister did go to the Wai Wu Pu and prefer his request, but it was denied. He did not, however, call upon his colleagues, the British and French ministers, for their aid, and there the matter dropped. The British minister afterwards told me that if he had been called upon to go to the Wai Wu Pu, he would have refused, until he had communicated with his government on the subject.

In the meantime, reports came in from the consulates and from other sources in Manchuria that the Japanese were pressing the Chinese to allow them to take control of the anti-plague measures. The horrible conditions that existed and the large Japanese interest in that province furnished a measure of justification for their claim. In addition, they could be relied upon to do effective work if control was given them. Even here in Peking after the plague broke out in our midst, the Japanese took the most stringent measures to prevent its appearance in the compounds of their legation and legation guards. They had armed guards pacing up and down before the gates of their compounds, whose faces were covered with shields or mouth protectors. Wherever the Japanese appeared in the streets, on horseback or in carriages, their masked faces looked out upon the spectators with grim solemnity. They placed a tin covering over the posts and cross pieces at the gateways to their compounds and sprinkled them with disinfectants almost continuously. They went so far and gave such publicity to their protective measures as to appear unnecessarily ostentatious; evidently for the purpose of impressing other resident foreigners with their zeal and effectiveness.

When China extended an invitation to the different powers to send delegates to an international medical conference at Mukden to study the cause and prevention of the plague, Japan was included in the invitation. But for a long time the latter made no response and named no delegate. The Chinese were much disturbed over what they regarded as an ominous silence. It was apparent the Japanese were suspicious of the purpose of this conference. They undoubtedly suspected or feared that the conference might be turned into an international commission of some kind; and if that was intended, the Japanese would not be a party thereto. The Russians at first replied by proposing to send several delegates, with a large train of assistants, servants and guards, and demanding a large cash advancement for expenses. This action on the part of the Russians and non-action on the part of the Japanese alarmed the Chinese and made them regret they had ever suggested the conference. It was the action of Russia and Japan that furnished the principal reason for postponing the date of the conference.

At almost the last moment, the Japanese named Doctor S. Kitazato as its delegate. The Chinese had gone to great expense to fit up suitable quarters for the personal use of the delegates, including conference rooms, laboratories, et cetera. Consul General Fisher reported that

Doctor Kitazato on his arrival refused to go to these quarters, but went to a private hotel. Subsequently the Manchurian Daily News (Japanese) reported Kitazato as saying that the conference was a meeting of great specialists, called together at the invitation of China, for the purpose of exchanging views as to the character of the plague, its cure and prevention. Such being the case, the Chinese had no right to lay propositions before the conference or to have a voice in its counsels; and any attempt of that kind on their part would be resisted. He is also quoted as saying that so far as the study of the plague and of the ways and means to control or suppress it, was concerned, Japan was not only abreast, but many strides ahead, of the times. Of course some allowance must be made for the possible untruth of this alleged interview, but as the newspaper which reported it is a Japanese owned and edited paper, it may be accepted as not unduly exaggerating Doctor Kitazato's self complacency in his contemplation of the then approaching conference.

To sum up the foregoing: the situation in Manchuria was serious. Both Russia and Japan had large vested interests in the country, and a large number of their respective nationals were residents therein. These powers might well claim that, if any outside influence interfered, they should have the first right to do so, becase they had the largest interest to protect; and, according to Doctor Kitazato, Japan, at least, was best qualified to cope with such a situation. Therefore, both Russia and Japan might well be expected to object to the introduction of any international body, however disinterested its motive. Any suggestion of that kind could well be construed as an admission that the Chinese had failed, that the necessities of the situation required or justified outside interference; and the only effect would be to stimulate both Japan and Russia to step in and take control of Manchuria, and to retain such control for all time.

This was the situation, and the foregoing were the reasons which made me doubt the expediency of even suggesting the introduction of an international body of any kind. If the Japanese had moved in another division of troops and taken charge, who, as the German Chargé d'Affaires said to me the other day, would there have been to object but the Chinese, and what could they have done? Nothing. Happily, the plague has passed away; the danger for the time being is averted; but the shadow of threatening possibilities still hangs low and heavy over ill fated Manchuria.

I have the honor to be, Sir,

Your obedient servant,

W. J. Calhoun

AMERICAN LEGATION,
PEKING.

No. 245. May 24, 1911.

The Honorable
The Secretary of State,
Washington.

Sir:

I beg to submit the following comments on the history of the recent currency loan negotiations.

In my despatch number 158, of December 19, 1910, I commented on the inception of these negotiations, the political aspect given thereto by the Chinese, their desire that the loan should be solely negotiated with Americans, and their great disappointment when they heard of the London agreement whereby European bankers were to be admitted as signatories and equal participants.

The result of the London agreement, although beneficial in the end, was, at first, so to cloud the situation with suspicion and distrust in the eyes of the Chinese as to make the negotiation of a final contract in conformity to the London agreement almost impossible. The Chinese were not only surprised and disappointed but they were exceedingly sore; this was especially true of Duke

Tsai Tze, President of the Board of Finance. The political aim which the Chinese had in view was frustrated; their faith in Americans was impaired; and they began to think that they could not depend on the latter for either financial or political support.

The local representatives of the interested European banks, with one notable exception, took advantage of the situation to add to the discomfiture of the Chinese by making unfriendly criticism of the Americans and by goading the Chinese for depending on them. They told the latter that the London agreement was evidence that the Americans were financially weak; that they could not float or carry the loan; that they had to come to the European banks for help; and therefore the Chinese might as well have come to the Europeans in the first instance. The Chinese were disposed to take very much the same view of the situation. Sheng Kung-pao told Mr.Straight in the first interview the latter had with himthat if he, Sheng, had known he would have to deal with European bankers he would have gone to them direct, as he knew them well, had done business with thembefore and did not need the intervention of the Americans to do business with them now.

No special emphasis is intended to be placed upon the attitude of these bankers, except as a side light on the situation with which the Legation and the representative of the American bankers were confronted. These local bankers had been long established in business in China. Their acquaintance with the Chinese was intimate and of long duration. They had, severally or jointly, negotiated all large loans previously made. They resented and were alarmed at the intrusion of the Americans as competitors, especially as the latter's advent was attended with marked manifestations of sympathetic support from the Chinese, for reasons both sentimental and political.

It is also to be noted that these bankers, including their principals in Europe and their diplomatic representatives in Peking, were much irritated at the Americans for their intrusion into the Hukuang loan after the contract therefor had been agreed upon and initialed. As M. Casenave, manager of the French bank, said to me not long ago, it is probable the Americans had to force themselves into this Hukuang loan as they did in order to get in at all; but it had made the European interests very sore and suspicious of the motives of the Americans. Despite both the Paris and the London agreements, much of this soreness and suspicion remained when the negotiations for the final currency loan agreement began. We felt its presence but did not realize its intensity until some time afterwards.

It was also disclosed that these bankers, usually so well informed as to what is going on in Chinese official circles, had no knowledge of the negotiations which eventuated in the preliminary loan contract until after it had been made public.

They were not only surprised but much irritated, because in the negotiation of this contract they saw further evidence of the purpose of the Americans to enter the field as a competitive force and, as they thought, intent upon an aggressive and exclusive policy. While the subsequent London agreement brought them a sense of relief in the fact that they were allowed participation in a large financial transaction, and were given identification with so important a measure as Chinese currency reform, nevertheless their alarm and resentment had been so great it could not be dissipated at once and they could not refrain from pointing out to the Chinese, in a spirit of criticism, what they believed to be the vulnerable point in the American armor, viz: financial weakness.

It is proper, however, to note one honorable exception among these bankers. M. Casenave is the manager of the Banque de l'Indo-Chine. For many years he was connected with the French diplomatic service, and, although now managing the Peking branch of the aforesaid bank, it is understood that he is still identified in some way with that service. He is therefore more of a diplomat or politician than a banker. He was away on leave of absence when the preliminary loan contract was negotiated. He only returned to Peking a short time before Mr. Straight arrived. He is friendly to Americans in general and to Mr. Straight in particular. He is a man of broad views and liberal impulses. He looks upon the situation here from the view point of a diplomatist and in the light of a comprehensive political policy towards China. He is friendly to China, and believes the stronger nations owe a moral duty to help her in her present stress. He was quick to see the possible political as well as economic value of the London agreement. While his minister was lukewarm for a time in his support of the negotiations for the final contract, and was disposed to be captious and critical, yet Casenave was very effective in holding him in line and also his government likewise in repelling the undermining effect of Russian intrigue. I feel so appreciative of M. Casenave's sympathetic support and of his generous attitude towards Americans that, if it is within the limit of diplomatic propriety, and you feel so inclined, I will be glad if you will express that appreciation to the French Ambassador at Washington.

Another phase of the situation was the attitude of the diplomatic representatives of the other powers, especially those whose bankers were parties to the London agreement. They were also much surprised and not a little alarmed when they learned the Americans had secured the preliminary contract for the loan. The British Chargé d'Affaires, Mr. Max Muller, was, as he generally is, decidedly hostile to Americans, and to their influence in Chinese affairs. The English have so long enjoyed a large measure of supremacy in China that they naturally, perhaps, looked askance upon the advent of the Americans. Mr. Max Muller was reported to be severe in his criticism of the Tang Shao-yi note upon which the Americans based a claim to Manchurian loans; called it disgraceful; denounced it as without binding force or credit. Fortunately before the negotiations for the final contract had gone very far, Sir John Jordan, the British Minister, returned and took charge of the legation. His attitude was more friendly but somewhat negative. He called on me occasionally and inquired as to the progress of the negotiations. I treated him with the utmost frankness. He rendered no active assistance, but expressed sympathetic interest.

The German Minister was silent. He made no inquiries, and, as far as I know, made no comments. The French Minister, M. de Margerie, was captious and critical from the very start. I now have reason to believe he was better informed as to the effort and purpose of the Americans in reference to a financial adviser than could reasonably be expected. He had an exaggerated idea of the importance of the adviser. He thought the Americans intended to take advantage of this loan to entrench themselves in the financial affairs of China, and to secure a permanent influence in the control of all future loans, while imposing the burden on Europe of carrying the greater part of the financial burden. He frankly admitted that as soon as he heard of the London agreement he asked his government that he be instructed to notify the Chinese that if an American adviser was appointed, France would expect and insist upon a co-adviser. He received the instruction for which he asked, tion for which he asked, and he immediately notified the Foreign Office here of the purpose of the French in that regard. So far as I know, neither the English nor the Germans made any representation to the Chinese on the subject. It is to be assumed, however, that they were watching the situation closely, that they were in sympathy with the French, and if the Chinese had consented to the appointment of an American adviser, they would have supported the French in a demand for like recognition in behalf of each national interest.

The attitude of these European interests towards the Americans was expressed to me by Herr Bernhardt Dernburg of Berlin, late Secretary of State for the German colonies. He made a trip through Manchuria and arrived in Peking a day or so after the fact of the preliminary contract was announced. He called on me and discussed the proposed loan in a very frank way. He said the Americans had such demands for money in the development of their own country, and were accustomed to such large returns on their investments in the way of interest and profits, that they were not in the habit of making investments in foreign bonds bearing a low rate of interest, and therefore there was no ready market in the United States for that class of securities. He further said that while in recent years the Americans had negotiated certain international loans in Mexico and other Central American and South American countries, they had, however, uniformly disposed of the bonds in Europe. Even the bonds of the Japanese loan which were so freely sold in the United States ultimately found their way to Europe. He also said that the European bankers had made up their minds that the Americans should not be allowed to enjoy the exclusive prestige of negotiating foreign loans and then floating the bonds in the European markets. Therefore, in this instance, the Americans would find that the European exchanges would refuse to list the bonds of the proposed currency loan, whereby the latter markets would be closed against them, and the American bankers would find it hard work for them to dispose of the bonds at a profit in their own country.

In the light of this statement made by Herr Dernburg the attitude of the French Minister can be more clearly perceived. It was, I think, the next day after this conversation that the making of the London agreement was announced. I supposed its effect would be to avoid the difficulties suggested by Herr Dernburg. But it soon became apparent that the French Minister thought that the Americans were intent upon securing an exclusive prestige in the negotiation of the loan, and a commanding influence in the application and use of the proceeds, while the Europeans would furnish at least three fourths of the money; and France, very likely, would furnish even morethan her quota, because the Paris market absorbs this class of securities more readily than do the other European markets.

Taking this view of the situation into consideration, the French Minister no doubt felt justified in contending that all the prestige and influence resulting from or incident to the loan should be shared equally by all the national interests contributing thereto. Or, to put it in another way, he thought that inasmuch as the European nationals were to furnish three fourths of the money, and each of them already had large interests in China and the Americans practically none, therefore the Americans should not be allowed to claim for themselves all the prestige and influence attending the negotiation of the loan. He felt commanding strength in his position by the fact that the French government controls the listing of securities on the Bourse; and Paris being the financial nerve center of Europe, if not of the world, the exclusion of these bonds therefrom would seriously depreciate their value in the markets of both Europe and America; therefore the French were a necessary factor in the successful flotation of the loan, and for that reason, if no other, consideration would have to be given their demands. And the fact that the Americans had secured the preliminary contract for the loan was not considered of such value as to give them any superior claim to the financial adviser or to any other preferential recognition. Because, it was believed, that it was only their financial weakness or their dependence on the European markets for the flotation of the loan, that induced the Americans to consent to European participation; they could not alone carry the financial burden; they recognised the necessity of shifting the larger part of it upon Europe; and that being true, it was unfair for them to claim all the honors. This is not alone my interpretation of the reasons for the unsympathetic, even threatening attitude of the French Minister; it was confirmed by frank and frequent statements made by him to other parties, and all to the foregoing effect. It may be said this was a narrow and selfish view for him to take, but it must be admitted there is much that is human in it.

Therefore, when Mr. Straight arrived at Peking he found the conditions very unfavorable for the negotiation of the final contract on the lines required by the London agreement. The Chinese were sore and sullen. The other bankers, and some of their ministers, were suspicious and jealous. The situation was most delicate and required careful handling.

The first interviews Mr. Straight had with Duke Tsai Tze and Sheng Kung-pao were very unsatisfactory. He explained the conditions which made the London agreement both necessary and advantageous. That as the result of the agreement the Chinese could get a larger price for their bonds than they would if they negotiated with the Americans alone. He emphasized the probable political advantages thereby resulting to China, because the bankers' combination drew to it the patronage and support of their respective governments, which might be hereafter invoked or used for the protection of China. But it was of no use; the Chinese representatives listened indifferently and made no satisfactory response. Dr. Tenney, who was with Mr. Straight at these interviews, afterwards told me that the arguments and representations of the latter, although forcibly presented, had no more effect than if he had been talking to a stone wall.

Under these circumstances it was apparent that it was useless as well as inexpedient to make any great pressure for the appointment of a financial adviser. This conclusion was based on several reasons which I believed to be sound. In the first place, the suggestion of any kind of a foreign adviser is to the Chinese mind most distasteful. It arouses the habitual distrust of the foreigner which is deeply imbedded in the soul of these people. It necessarily involves a certain measure of "loss of face", because it imputes incompetency, and on this point the average Chinese is most sensitive. The consent already expressed when the subject of an adviser was first breached by me, was reluctantly given; it was only obtained because of the expectation that the loan would be solely negotiated with Americans; and because of the good feeling which then prevailed, in such a marked degree, for that nationality.

It was also clear to me that with or without the London agreement, or independent of whether the loan was negotiated with one nation or with four, no adviser would be appointed, and no further commitment on that subject would be made, until it was definitely known that a satisfactory final contract would be negotiated. The character of the men who negotiated this contract, in behalf of the Chinese, and their general attitude towards the subject, were such as to convince me that while they understood that the appointment of an adviser was a condition precedent to making the loan, they were also determined that a contract satisfactory to them should be a condition precedent to the appointment of the adviser. They had already committed themselves to the general proposition, but beyond that they would not go, until they knew what the terms of the contract were to be. No personal influence could make them change from this position.

The three men who had to do with the negotiation of the contract in behalf of the Chinese are no ordinary men. Duke Tsai Tze, the president of the Board of Finance, was primarily in charge and was officially responsible for the result of the negotiations. He impressed me, as he does every one who meets him, as a man of great dignity in bearing and of high character, although of limited experience. He probably does not have that kind of force which qualifies for leadership, but he has a measure of firmness, once his mind is made up, that makes him impervious alike to threats or blandishments. He is supposed to head a political faction favored by the Empress Dowager, his sister-in-law, which is antagonized, or, at least, is feared and distrusted, by both the Prince Regent and Natung. For that reason he knew he was closely watched, and if he made any mistake he would receive the severest criticism. He also knew the introduction of a foreign adviser under any circumstances would be the subject of public criticism, but if the appointment was made in advance of making the loan contract, a still greater outcry would result. His attitude throughout the entire negotiations was one of great caution. He could neither be hurried nor influenced to make any advance until he had carefully considered every step. He was much disturbed and irritated by the London agreement. He had previously emphasized the fact that he would only make the final contract with Americans, that, while the latter might allow other foreign bankers to take a part of the bonds, yet he expected them to take and hold the larger part; and for him to permit other foreign bankers to become signatories to the contract and take equal parts of the loan, was to go back on his declarations previously made. For some time after the London agreement I knew full well that he was in a mood that made it useless to expect, and inadvisable to ask, him to agree to the appointment of an American adviser at that time.

Sheng Kung-pao was, as subsequent events proved, the ablest and strongest one of the trio. He is advanced in years, in bad health and frail of body. But he has a very acute and alert mind. He is a man of large business experience. He is the principal owner and director of the Han Yang iron works; the owner of ship lines and various other large business enterprises. He has negotiated many of the existing treaties to which China is a party. He has had large dealings with foreigners, understands and appreciates them. He is a smart, wily politician, although more devoted to business than to practical politics. It was interesting to watch him in the conduct of this currency loan negotiation, and more particularly in the Hukuang affair. In closing up the latter contract he had not only to deal and combat with the foreign ministers and bankers, but he had to manage and control the Prince Regent and the members of the Grand Council, all of whom were disposed to avoid responsibility and were controlled by their fear of the Hunan and Hupeh gentry. Sheng was the only man in the lot who had an ounce of courage. He was not only very keen and alert in the negotiation of these contracts, but he impressed the ministers and bankers as being a man of great shrewdness and ability, as well as having more force and courage than any other man in the government. He was too smart, too crafty and shrewd not to appreciate the vantage point of holding back any positive commitment on the question of adviser until he could clearly understand what the terms of the contract were to be; although he has more liberal views as to the necessity of the adviser than has either of his colleagues.

Dr. Chen Chin Tao is the third member of this trio. He does not have the rank or authority that the other two members have. His activity was more in a consultative capacity with the Duke. He is a young man with a future in this country, because he is able and well educated - graduate of the University of California and post-graduate of Yale - serious minded, ambitious, industrious and, I believe, honest, but very self-opinionated and stubborn. From the very first, I recognized in Dr. Chen a stubborn factor in the problem and I feared his influence on the Duke. But it subsequently developed there was some antagonism between him and Sheng, and finally Dr. Chen was pushed very far in the back-ground. Nevertheless, he is able, and is said to be the hardest and shrewdest trader in the country. He is well up on questions of banking, currency and exchange, and it is evident the Duke holds him in high regard. He it was who suggested that the adviser be made a subordinate officer in the Ta Ching Bank, of which he is vice president and manager. Sheng expressed himself in favor of this proposition, but he was never very strenuous in its support. Sheng is very wily; he said little about the adviser; he let Chen do a lot of talking, while he quietly bided his time until he could come forward and brush Chen aside and take the negotiations entirely in his own hands.

So much for the personnel of the Chinese negotiators and their general attitude on the question of the adviser. Two other important considerations entered into the proposition. The Chinese were unwilling to consent to the appointment of an adviser, in advance of fixing the terms of the contract, because they especially feared the adviser might seek to impose upon them a currency system based on the gold standard; to this they were unalterably opposed. In the course of the subsequent negotiations it developed that they were determined to insist that the loan should be predicated on the currency plan already devised; the issuance of the loan to be dependent on the acceptance of that plan by the bankers, after due examination.

In the consideration of their position in this regard, it must be admitted there is much justification therefor to be found in the existing conditions in China. The present currency evils, which are many and varied, are deeply imbedded in the life of the people; any radical change, however beneficial in the end, will seriously disturb the country. Great political and financial interests are identified with the existing evils, and have from time immemorial lived and fattened thereon, through the agencies of native banks, "cash" and exchange shops. It may be reasonably expected that all of these interests will obstruct and oppose any reform that may be inaugurated. Both the Duke and Sheng were strong in the conviction that a change to the gold standard at once would in itself be so radical as to make the reform impracticable. When India and the Philippines were cited as instances where the gold standard had been introduced without undue friction, the reply was that in each of those cases there was a strong government behind the reform, capable and willing to support it with all the force that was necessary, while in China there is no government with the force or administrative ability to enforce such a reform. Taking the conditions of China as they are into consideration, the deep rooted character of the evils which are to be removed, and the admitted inefficiency of the central government, they thought they dare not go so far as to accept the gold standard at this time; and in this conclusion most, if not all, the bankers are inclined to agree. In their view of the situation, a foreign financial adviser suggested to their minds a foreigner, perhaps a scholastic theorist, who knew nothing about China; who had no appreciation of the stubborn conservatism of the people, of the selfish but powerful influence of the many who are interested in the maintenance of existing conditions, and of the inherent weakness of the central government.

In addition, the action of the French Minister in demanding a co-adviser if an American was appointed, suggested to the Chinese the possibility of a board of advisers, and to this they were unalterably opposed. Their fear, in this respect, was much increased by the Russians and Japanese also intimating that they desired participation in the loan, and representation among the advisers. The National Assembly was in session; it had become demonstrative in its criticism of the government; and it evinced opposition to the appointment of a foreign adviser. Of course the natural inclination of the members was adverse to the idea of a foreign adviser at all times and for all purposes, but in this instance we have reason to believe our japanese friends intensified this opposition by their intrigue. It was known that Japanese nationals circulated very freely among the members of the Assembly. The latter were dined and made the subject of many social courtesies by the Japanese. The native newspapers discussed the subject; some of them were very vehement in their opposition to the idea of an adviser. The fate of Egypt was used as an object lesson and as a warning. The situation was growing worse all the time. The Chinese were naturally friendly to us. If the loan had been taken or negotiated exclusively by the Americans, we would have been in a position to demand the adviser, and the Chinese would have been inclined to stand by their promise. But when the Americans, without the knowledge or consent of the Chinese, entered into the London agreement, the situation here was instantly changed. As Natung said to me, his promise was to the effect that if the loan was negotiated in America, an adviser of that nationality would be appointed; but when the Americans voluntarily and without consulting China, invited the other nationals to join with them in making the contract and in floating the loan, that fact in itself was sufficient to invalidate any exclusive claim to the adviser on the part of the Americans; and, he complained in addition, that the Chinese as the result of our action were now involved in a conflict of claims with the French, and probably with the other nationals over the question. He also commented on the public opposition to the proposition that had been excited, and the activity of the National Assembly against it, and said that under these circumstances he knew positively that the Duke would never consent to any provision for an adviser being inserted in the contract. As for himself, he declined all responsibility for and all power over the subject.

On December 21, 1910, I had a long conference with the Duke, the result of which I reported to you in my telegram of that date. He referred to the current report that the London agreement meant a combination of bankers to control China's finances; that this report and the question of an adviser had been freely and adversely discussed in the native press; that the National Assembly had become alarmed over the subject and had summoned him to a secret conference, in which he had promised the Assembly that no adviser should be appointed; and having made that promise, he could not now depart from it. Besides, he said, both Russia and Japan had notified the Foreign Office that they wanted participation in the loan and representation in the advisers. He also said that one of the countries named, undoubtedly Japan, had thrown every possible obstacle in the way, and had threatened to make serious trouble if it was not recognized; the danger from this source he regarded as serious and imminent. It was plain that the Duke was seriously disturbed and much distressed. He talked freely of the troubles confronting his country, its defenceless condition and friendless situation. He finally referred me to Sheng for further consideration as to what could be done.

Up to this time Mr. Straight had been alone conducting the negotiations. He was very active and efficient in overcoming the many and varied influences at work against him. He conferred with Prince Tsai Tao, the brother of the Prince Regent, with individual members of the Foreign Office and of the

National Assembly. The hopelessness of having an adviser appointed in advance of negotiations for the contract was apparent to both of us. Sheng had practically shut off all negotiations. He would not see Straight, and he sent me word that he could not come to see me, and he did not want me to go to see him, because he was too closely watched.

As before stated, up to this time Mr. Straight had been working alone, except with such assistance as I could give him. It was obvious to him that the representatives of the other banks were becoming restless and dissatisfied with their exclusion from the negotiations. It was equally obvious to me that something had to be done to remove the obstruction caused by the question of the adviser. Whatever was to be done, had to be done quickly. We felt sure that the Russians and Japanese were doing their utmost to defeat the loan. They were also supported to some extent by the Belgians. The latter had no political end to serve, but they regarded the combination of bankers as hostile to their interests. M. Cartier, the Belgian Minister, admitted he had been sent here for the special purpose of securing business. He first tried hard to be admitted into the combination. Failing in that he joined with the Russians in an effort to form a rival combination. He became very active in his effort to divert the attention of Sheng from the quadruple group to the financial opportunities he had to present. I have no complaint to make against M. Cartier. His competition was honorable in every way, so far as I know. I only mention it to show the varied contending elements with which we had to deal.

Up to this time I had not fully realized how sensitive the French Minister was on the question of the adviser. My attention had been directed more to the Chinese. But through Casenave I learned of his minister's dissatisfaction, and of the suspicion generally entertained by the other bankers and their ministers that the Americans were intent upon securing for themselves all the prestige and influence incident to the negotiation of the loan and to the position of the adviser. The situation presented not only a reasonable possibility of a final break with the Chinese, but a rupture of the combination of the bankers as well. In which case the Americans would lose prestige with the Chinese and be charged by the bankers and the other ministers with wrecking the loan. In which event American prestige and influence, I thought, would suffer seriously. The only solution was to eliminate the question of adviser by having one appointed from some neutral nation, not particularly interested in China. I therefore cabled you on January 23rd, suggesting an agreement with the other powers that a single adviser should be appointed, whether American, Dutch or Swiss. Subsequently I had Dr. Tenney confer with Sheng. The latter has great confidence in and friendship for Tenney. It resulted in Sheng consenting to see Straight, which he did on the evening of February 10th. A plan was outlined for the appointment of adviser somewhat in line with my suggestion last aforesaid, of which I cabled you on February 19th.

Mr. Straight was also authorized to discuss terms of the agreement with his colleagues, which he did, and thereby allayed their growing suspicions, and finally as the result of great tact on his part, and the personal support of Casenave, friendly relations with all the banking representatives were restored. As soon as the Chinese saw that they could be relieved from the pending complications incident to the adviser, they began to show renewed interest. Sheng then undertook to bring the Duke around; it took him some time to do it, but he succeeded in the end. I also called on M. Margerie, the French Minister, and had a friendly and frank conference with him. I learned that he had been very suspicious of me, thinking I was intent on having an American adviser appointed as a matter of personal prestige. When he found that such was not either your or my attitude, his manner changed, and since then he has been very friendly. I also called on the British and German ministers and had a friendly understanding with them. From that time on the atmosphere completely changed. All doubt, distrust and outward evidences of jealousy disappeared. A spirit of friendly co-operation became manifest. Mr. Straight was allowed to keep the lead in the negotiations to the end. It was not entirely plain sailing with the Chinese. There were several severe contests with Sheng which, at times, threatened to wreck the whole enterprise. It is due to Mr. Straight to say he exercised great tact both with the Chinese and with his colleagues; he now has the confidence and good will of both; and during all of these difficult negotiations, which were the most toruous and nerve racking with which I ever had anything to do, he showed the highest order of ability and the success so far achieved is principally due thereto.

The result has been that a general era of good feeling now prevails. The Chinese are very much pleased at the result. They are grateful to us because we enabled them to escape from the dilemma they were in concerning the adviser. Mr. Straight's leadership in the negotiations was so pronounced that to him and to the Americans they give full credit for the loan. We also stand well, I feel sure, with the other bankers and their representatives. They are convinced that the American policy towards China is fair and as altruistic as claimed by all our professions. If this loan is finally consummated, the Americans have a great part to play in China. We have, perhaps, aroused the antagonism of Russia and Japan. But we have gained a place in China, and the basis on which that place has been established has demonstrated that we are not pursuing any selfish or exclusive policy, and therein lies our greatest strength and prestige. The way these loan negotiations have been handled is strictly in line with your neutralization policy, which, as the years go on, will become as famous and as much honored in diplomatic history as is the "open door" policy proclaimed by Mr. Hay. I shall take the liberty of making some suggestions for your consideration as to what our future policy in China should be. For the present, I think, our position is secure.

In conclusion, I beg to acknowledge my great indebtedness to Dr. C. D. Tenney, the Chinese Secretary, for his valuable assistance in this trying period. Dr. Tenney is well known to the Chinese officials. He enjoys their confidence and good will more than does any other member of either or all of the legations represented here. Several times the loan negotiations were abruptly suspended, because of differences between Sheng and the bankers, and further progress seemed impossible. In each instance, after waiting a day or two, I sent Dr. Tenney to see either Sheng or the Duke, with whom he had a private conversation. He invariably smoothed out the difficulties in the way and made it practicable for the negotiations to be resumed. I think all of the bankers are highly appreciative of Dr. Tenney's service; it was exceptional and deserves special commendation. It has been a period of strain and much of my attention was given to its passing phases. To Mr. Heintzleman, Second Secretary, I am much indebted for his close attention to the current business of the legation.

I have the honor to be, Sir,
Your obedient servant,
(Signed) W. J. Calhoun.

TELEGRAM SENT MAY 25, 1911.

Secretary of State,
    Washington.

GEGKY May 25, 69p. m.

In reply to your telegram of May 16, 4 p. m., Sheng Kung-pao is specially entrusted by Prince Regent with work of improving river conditions in famine district. He states he intended to secure Dutch engineer because of large experience of that nationality with waterways, but he will gladly accept offer of Red Cross to furnish American engineer. He hopes the latter will come as soon as possible. He will organize corps of necessary assistants. Situation requires prompt attention.

CALHOUN.

AMERICAN LEGATION,
PEKING.

No. 246.

May 25, 1911.

The Honorable
The Secretary of State,
Washington.

Sir:

I have the honor to enclose herewith copy of a despatch, number 28 of May 17, 1911, addressed to me by Mr. Consul Kent at Newchuang, wherein the Legation is asked to support the application of Mr. Kent to the Department for a transfer of post.

Mr. Kent, who visited Peking several weeks ago, told me that he does not request assignment to a post to which a larger salary is attached, but if offered a consulate in Europe he would accept it even though the salary were less than that paid at Newchuang. He insists that the obscurity and unimportance of the post deprive him of the opportunity of rendering any valuable service to the Government, while the conditions of life there are so sordid and intolerable as to be unendurable much longer. He feels that he could do creditable work if placed at a post where the best that is in him would find a stimulus, and that to be compelled to remain at

Newchuang, under an environment which any man of his age and temperament would find intolerable unless chained to it by necessity, would leave him no alternative but resignation from the consular service.

I am inclined to think that Mr. Kent is actuated by sincere and worthy motives in asking for a transfer, and that his removal from China would be desirable from every point of view. Particularly does his present mental condition point to the desirability of his being taken from Newchuang as soon as practicable. If compelled to remain there he will be unable to do justice either to the service or to himself. During the past year I have paid particular attention to his work, and, while it is not unsatisfactory, I do not hesitate to state, and with every desire to be perfectly fair and just to Mr. Kent, that it does not measure up to the high standards fixed by the Department. I do not attribute this apparent delinquency to any lack of willingness or of natural capacity for work, but rather to the uncongenial conditions prevailing at Newchuang, and especially to the unfortunate mental condition in which he finds himself. I therefore commend his application for a transfer to your favorable consideration.

I have the honor to be, Sir,

Your obedient servant,

Enclosure:

Mr. Kent to Mr. Calhoun, May 17, 1911.

AMERICAN LEGATION,
PEKING.

No. 247

May 27, 1911.

The Honorable
The Secretary of State,
Washington.

Sir:

In acknowledging the receipt of the Department's unnumbered instruction of April 1, 1911, authorizing this Legation to endeavor to procure, for the use of the Tariff Board, a copy of the document entitled RETURNS OF TRADE AND TRADE REPORTS for the year 1909, and also to have the Tariff Board placed on the mailing list for the same publication, I have the honor to state that I am in receipt of a letter dated the 22nd instant from the Officiating Inspector General of Customs and Posts, wherein I am informed that the Statistical Secretary at Shanghai has been directed to forward the publication in question and to put the the name of the Tariff Board on the permanent mailing list.

I have the honor to be, Sir,

Your obedient servant,

AMERICAN LEGATION,
PEKING.

May 27, 1911.

The Honorable
The Secretary of State,
Washington.

Sir:

I have the honor to acknowledge the receipt of Confidential Information Circular Series A, number 74, Mexico, number 8, entitled DISORDERS IN MEXICO.

I have the honor to be, Sir,
Your obedient servant,

AMERICAN LEGATION,
PEKING.

May 27, 1911.

The Honorable,
The Secretary of State,
Washington.

Sir:

I have the honor to acknowledge the receipt of Confidential Information Circular, Series H, number 8, entitled THE INTERNATIONAL PRIZE COURT AND THE PROPOSED COURT OF ARBITRAL JUSTICE.

I have the honor to be, Sir,
Your obedient servant,

AMERICAN LEGATION,
PEKING.

No. 248.   May 27, 1911.

The Honorable
The Secretary of State,
Washington.

Sir:

I have the honor to enclose herewith the report of the Chinese Secretary of the Legation on the final examination of Mr. Mahlon F. Perkins, one of the Student Interpreter Corps attached to this Legation.

Dr. Tenney commends Mr. Perkins in this report, and I am glad to be able to give it my warm endorsement.

Besides having been successful in mastering the difficulties of the written language and of documentary Chinese, Mr. Perkins has acquired considerable experience in office work through assisting during the past few months in the general work of the chancery of the Legation. He is a most willing and capable worker.

I beg to express the hope that the promotion to an interpretership at a salary of $1500 per annum, for which he is eminently well qualified, will be forthcoming at the earliest practicable date.

I Have the honor to be, Sir,

Your obedient servant,

Enclosure:
Dr. Tenney to Mr.

April 20, 1911.

The Honorable W. J. Calhoun,
American Minister.

Sir:

I have the honor to report that on the 21st and 22nd of April I gave to Mr. M. F. Perkins his final examination as a Student Interpreter. I was assisted by Rev. George D. Wilder and Rev. R.H. Gailey, both good Chinese scholars.

I found Mr. Perkins rather poor in his pronunciation of Chinese, owing no doubt to a physical inability on his part to distinguish slight differences of sound. Throughout his course I have had to criticise him in this matter. In all other respects I have only the highest praise for this student. He has a grand capacity for hard work and has accomplished more than any student who has come under my care in mastering the difficulties of the written characters and of documentary Chinese.

His general information paper was also good. After careful consideration the examiners have agreed upon 90 on the scale of 100 as Mr. Perkins' mark. He will ~~remain~~ remain at Peking until he is assigned to duty at one of the Consulates.

Yours respectfully,

Charles D. Tenney

Chinese Secretary.

TELEGRAM SENT MAY 29, 1911.

Secretary of State,
Washington.

GEPGY May 29, 5 p. m.

The Minister for Foreign Affairs informs me he has a telegram from the Chinese Minister at Washington and the Chargé d'Affairs at Mexico City reporting the murder recently by revolutionists of over two hundred Chinese at Torreon, and requests that instructions be again issued to the American diplomatic and consular officers in Mexico to protect Chinese residents there with a view to preventing further atrocities.

The Chinese Government appreciates deeply the friendly action already taken by the American Government in according protection to Chinese in Mexico and will be most grateful for further aid.

CALHOUN.

TELEGRAM SENT MAY 30, 1911.

Secretary of State,

Washington.

GURKE May 30, 6 p. m.

My telegram of April 29, 5. p. m. Chinese and local bankers on account of great volume of work devolving upon adviser before issuance of loan in October ask that he be selected as soon as possible and urged to leave for China without delay.

CALHOUN.

AMERICAN LEGATION,
PEKING.

No. 249. May 31, 1911.

Ack. July 13, 1911x

The Honorable
The Secretary of State,
Washington.

Sir:

I have the honor to enclose herewith copy of a letter, dated May 26, 1911, addressed to me by the French Minister here, requesting to be informed as to the willingness of the American Government to conclude an arrangement with the French Government by an exchange of notes between our two Legations here for the reciprocal protection of literary and artistic property in China. As you will observe, Mr. de Margerie refers in his letter to the arrangement effected several years since by an exchange of notes between certain of the treaty powers represented at Peking, providing for the reciprocal protection of their trade-marks in China, and encloses copy of the convention, of September 14, 1909, between Japan and France which includes copyright as well as trade-mark protection in China. The French Minister states, moreover, that his Government, believing it might be to the common interests of our respective nationals to adopt, as regards the reciprocal protection of intellectual property in China, an arrangement similar to that contained in the Tokio convention, has instructed him to inquire whether the American Government would be favorable to the conclusion of such an arrangement, effected by an exchange of notes between our two Legations.

While I have thus far received no complaint as to the infringement of American copyrights by foreigners in China, yet it is not at all unlikely that cases may arise at any time, particularly as large numbers of American text books are already in use and are gradually growing in favor in the new schools throughout the Empire, and the facilities for their re-publication are afforded by the numerous foreign publishing houses in the treaty ports of China. I therefore beg to recommend earnestly that I be authorized to effect this arrangement by an exchange of notes on the basis of precedents established in the case of trade-mark protection among foreigners in China. I would also be glad if the Department would inform me as to whether it would not be advisable for me to sound the other legations here in regard to this matter, with a view to concluding when they are duly authorized by their governments, similar arrangements, looking to copyright protection in China.

In this connection, I beg to report that the attention of the Legation has recently been called to a number of infringements of American copyrights by Chinese publishing houses in China. Ptotection against these infringements is most urgent, and I feel constrained therefore to call the Department's serious attention to the importance of concluding a copyright convention with China. As to the utter inadequacy of Article XI of our present treaty to afford any real protection in China to American literary property the Department is well aware. In my opinion it is only by a new convention that any effectual protection for American copyrights in China can be obtained. Even with the American-Japanese Convention of May 19, 1908, and the proposed arrangements with the other foreign treaty powers secured, and even if Chinese subjects were not given to infringing American copyrights, which unfortunately does not seem to be the case, there would still be in the absence of formal protection against Chinese infringement the likelihood that foreigners in China would carry out their piracies under Chinese names, or through Chinese agents.

I will reserve for a later despatch a full presentation of the copyright case, now pending in the Mixed Court at Shanghai, of Ginn & Company versus the Commercial Press, Limited. At that time I shall report fully on the inadequacy of the present copyright article in our treaty with China of 1903 to afford American copyrights any real protection, and I shall urge the necessity of remedying the situation either by the conclusion of a special convention or else by requesting the Central Government to extend a degree of protection to American publications, as an act of courtesy, by authorizing the provincial authorities to issue proclamation, having the force of law, forbidding Chinese from reprinting or reproducing publications covered by

American copyrights. This last alternative would be a procedure similar to that obtaining in the case of American trade-marks in China vis-a-vis Chinese subjects.

I have the honor to be, Sir,

Your obedient servant,

Enclosure:

French Minister to Mr. Calhoun, May 26, 1911.

AMERICAN LEGATION,
PEKING.

No. 250. June 2, 1911.

The Honorable
The Secretary of State,
Washington.

Sir:

Referring to my telegram of May 20, 12 midnight, reporting the signature of the Hukuang loan agreement on the evening of that day, I have the honor to enclose herewith a copy in duplicate of this agreement, as signed by Sheng Hsuan Huai, Minister of the Board of Posts and Communications, on the one part, and by the local representatives of the quadruple banks on the other. There is also enclosed for your information and for the files of the Department a copy of a note dated May 25, 1911, addressed by Prince Ching to each of the four foreign ministers concerned, quoting for our information the Imperial Edict issued on the 20th idem authorizing the signature of the agreement. I beg also to enclose copy of a joint note of May 2, 1911, sent to Prince Ching by the four ministers, demanding that a date be fixed at once for the signature of the agreement. This note was sent in at the express request of Duke

Tsai Tse and Sheng Kung Pao in order that their hands might be strengthened in pressing their proposals regarding the loan before the Grand Council. Both these men stated that there is no one in the Grand Council (this took place before the establishment of the Cabinet) willing to take any responsibility, that its members are afraid of the foreign powers on the one hand and of the provincial gentry on the other. Sheng stated that there were two ways of handling the matter: the first, to obtain an Edict announcing that the Central Government would alone construct all main lines of railway, taking over from the provincial gentry all sections of main lines which they had been attempting to build, and in so acting the Government would aim to treat all the provinces alike; the second, to placate the Hunan gentry by allowing them to build a part of the Hunan trunk line covered by the Hukuang loan agreement, substituting therefor some other railway line in the agreement to compensate the foreign bankers. The next step was the issuance of an Edict on May 4th, copy enclosed, justifying before the people the conclusion of the two loans, the Japanese loan and the national currency loan, and anticipating the railway loan. This was followed by the presentation of a memorial by the censor, Shih Ch'ang-hsin, advocating that the Central Government undertake the construction of the main lines of railways throughout the Empire. This memorial, inspired, if not actually drafted, by Sheng, was referred by an Edict of the Board of Posts and Communications for consideration and report. This was followed on May 9th by another important and far-reaching Edict, copy enclosed, announcing that, this Board having approved the suggestion of the censor, the policy of the construction of the main lines of railway by the Central Government was adopted as the Imperial one. This Edict also cancelled the authorizations, appearing in previous rescripts of the past year or two, allowing the gentry of various provinces to form local companies to build railways. It was thought at the time that these successive steps cleared the way for the immediate signing of the agreement, but as the new policy adopted by the Imperial Government necessitated extending the railways specified in the agreement into the Provinces of Kuangtung and Szechuan, Sheng wished to make some alterations in the agreement which would provide for this and the consequent enlargement of the loan. The points in the new negotiations were fully set forth in my telegram of May 13, 11 p. m., to the Department. On the 16th of May when the representatives of the four banks called on Sheng with reference to the new proposals, he informed them of the violent anti-loan agitation in Hunan Province and of the fact that the members of the National Assembly had demanded an extra session in order to discuss the question of foreign loans. Sheng was much embarrassed by the weakness of Prince Ching and certain other members of the new cabinet, which had in the meantime been created, and stated that while he would prefer to have the loan increased to £10,000,000 and made to cover the Kuangtung section of the Hankow-Canton line and the Szechuan section of the Hankow-Szechuan line, he feared it would be necessary to follow as closely as possible the original Chang Chih Tung agreement in order to answer criticism in the National Assembly. The basis of agreement reached with Sheng by the Bankers was reported to you in my telegram of May 18, 11 p. m., On the day preceding. Sheng suggested that I call upon Prince

Ching, the Premier, and point out to him the danger of further delaying the signature of the agreement and of yielding to the clamor of the Hunan gentry and the members of the National Assembly. At the same time he urged the representatives of the banks to prepare a final draft agreement. I called on Prince Ching that same afternoon and had a most satisfactory interview. I told him of the lively interest of the American Government in the settlement of the loan and of the belief entertained by you that as a matter of principle the Chinese authorities, in the interest of their national credit, should carry out the agreement already initialed, with the modifications mutually agreed upon as to elimination of the Chingmen-Hanyang branch, deposit of a portion of funds in native banks, et cetera. I also intimated that the Central Government damaged its reputation abroad by pretending inability to withstand the provincial opposition to the conclusion of the loan, and that I thought this opposition could be easily overcome if the officials acted with promptness and decision in suppressing it. Prince Ching promised me that the Government would make a resolute stand and that the agreement would be signed in a few days.

In the last stages of the negotiations, one of the most difficult subjects was the question of the chief engineership of the section from Ichang westward to the Szechuan boundary. In view of the Paris agreement of May 23, 1910, which provides for an American engineer for the first four hundred kilometers beyond Ichang, Mr. Straight insisted that an American chief engineer be named for this section, which the Germans resisted. It was, however, finally agreed that the Americans would not insist upon an engineer in case the Chinese, in order to make the agreement conform to the Chang Chih Tung document, desired to appoint two engineers-in-Chief only. The question was submitted to Sheng for a decision, who stated that he desired an American engineer-in-chief for the Ichang-Kweichowfu section. In this connection I should state, however, that Mr. Straight, as a compromise measure to placate the Germans, and feeling that the rights of American manufacturers were fully protected under the arrangement regarding purchasing agents made at the Paris Conference and by the provisions of the loan agreement itself, informed Mr. Cordes, of the Deutsche-Asiatische Bank, that the American Group would not insist upon its full rights by demanding the designation of an American purchasing agent for the section to be constructed by an American engineer. This action, which was prompted entirely by a desire to prevent a rupture of negotiations, was, I think, justifiable. The bankers realized that a failure to sign on their part placed the burden of refusal on them and that they would then be without any contract whatsoever, while the whole question would be indefinitely postponed.

I also enclose copy of an Edict of the 18th of May bestowing on Tuan Fang, former Viceroy at Nanking and later at Tientsin, from which post he was removed in November, 1909, the rank of a Vice President of a Board, and creating him Director General of the Canton-Hankow and Hankow-Szechuan railways. Tuan Fang is also directed in the Edict to proceed at once to consult with the Viceroys of the Hukuang, the Liangkuang and Szechuan Provinces and with the Governor of Hunan, with a view to making preparations for taking over the provincial lines in conformity with former edicts. As an interesting comment on this appointment, I am enclosing copy of a leading article appearing in the North China Daily News of May 20, 1911.

Immediately upon the issuance of the Edicts mentioned above, which foretold the successful conclusion of the loan, the provincial agitation in the Hukuang provinces grew apace. The ministers of the Wai Wu Pu in their interviews with the four foreign ministers, and both the Duke and Sheng in their repeated conversations with the bankers, always emphasized the danger to the state lurking in the growing provincial agitations. In fact Sheng's sole object in insisting upon the omission from the agreement of the branch line and in obtaining the right to deposit a portion of the funds in native banks was to secure justification before the people for signing the contract, in that he was thereby securing one more creditable to China than the former. On the 8th of May I instructed the Consul General at Hankow to furnish the Legation with any news items in the native press bearing on the opposition in Hunan and Hupei to the proposed Hukuang railways loan, and to observe closely the situation which might become serious, and report any information of a political nature, or to which political significance might be attached. Since this time I am receiving frequent reports from Hankow, which show that the agitation, while fomented in these provinces, is being allayed and indeed kept down by the gentry, who are given to understand by the Central Government that they will be held responsible for any disturbances in the district over this question. On the 17th of May I received a telegram from the American Consul General at Hankow reporting the holding of mass meetings and the circulation of anti-foreign handbills in Changsha protesting against foreign loans. It was also stated that, though no overt act had been committed against foreigners, yet the foreign women were at nights sent from the Chinese city to the island opposite. I immediately directed the Consul General to write the Viceroy for his assurance that adequate measures be taken for the protection of the lives and property of Americans, and communicated with the American Senior Naval Officer Present in the Yangtse Valley, as well as with the Admiral commanding the United States Asiatic Fleet, requesting that several of our men-of-war be retained at Hankow or in its immediate vicinity during this period of possible unrest and until the present unusual excitement and feelings against foreigners had subsided. A few days later I was informed that the circulation of the handbills in Changsha had ceased and that the city is quiet. At this time the Changsha Assembly met, but adjourned without discussing the railway crisis. This action of the Assembly is believed to be due to pressure from above, and if so is very gratifying. The U. S. S. VILLALOBUS proceeded to Changsha on the 21st of May and is yet there. Subsequent reports are to the effect that Changsha is still quiet, but that in the interior of the province revolt and provincial loyalty are filling the minds of the people. It will tax the patience and skill of Tuan Fang if he succeeds in averting the conflict which seems imminent between the provincial leaders of the Hunanese and the Imperial authorities at Peking over the question of the construction of the railways of those provinces with foreign money and under a degree of foreign supervision. Hitherto Peking has depended on Hunan to keep the Cantonese and Kuangsi people south of Hunan in order, but sufficient provocation from Peking might unite these provinces in revolt against both the policy of the Central Government and the Manchus themselves. On the other hand, this might be the long-delayed occasion offered the Central Government for it to assert its authority over the turbulent Hunanese. If this could be done the results would be beneficial to Chinese and foreign residents alike in those provinces. The strong stand taken by the Government thus far against the opposing gentry encourages the hope that the agitation will not prove formidable. Of course, the severest test of the Government's strength will come when the actual construction work on the railway lines begins.

As of possible interest on this subject, I am enclosing two leading articles - one from the North China Daily News of May 23, 1911, giving the English point of view, and the other from the Peking Daily News of May 31, 1911, presenting the Chinese viewpoint of the broad question of state-ownership of railways, and the desirability of floating foreign loans under reasonable terms.

The signing of the Hukuang loan should serve to crystalize more clearly the idea and to cement more firmly the principle of cooperation among the four lending powers, which was already established in the joint signatures to the national currency loan. I feel that we are coming out of these two recent encounters finding our banking and correlated interests for the first time established in China on a basis of absolute equality with the three great financial powers of Europe, whose banks have long been in China and who are already strongly entrenched in this field. But more important and far-

far-reaching than the immediate material are the prospective diplomatic results. By virtue of our close relations with the other three neutral powers we occupy a position of greater usefulness to China, a fact which China was slow at first to accept but which, I think, she is now being made gradually, yet none the less irresistably, to realize. In this financial coöperation, from which should follow as a natural corollary diplomatic coöperation, there is created a community of vested interests on the part of the great lending nations which should consolidate their influence for the preservation of the principle of equality of opportunity and the maintenance of the integrity of China, thus insuring the peace of the Far East.

Before closing I beg to express the hope that the Department will see fit to impress upon the American group the obvious desirability of exercising the greatest care and caution in the selection of men of eminent qualifications and of the highest character and integrity to fill the various posts growing out of the enforcement of the provisions of these two agreements. While the name of the United States in China has always been synonymous with fair dealing and disinterested friendship, I regret to have to state that the reputation of American financiers, owing to the corruption and fraud of which the America-China Development Company was guilty, has been unsavory. I believe that the American group is now in a position to remove this stigma, and I trust that the Department may feel impelled to impart to the American bankers this view of the heavy moral responsibility devolving upon them.

More than this, owing to the primary part played by the American group in the currency loan negotiations, it should be able to secure and retain the leadership of the interests associated under the two loan agreements. With this financial leadership in the hands of the American group, and with the diplomatic leadership of the four nations resting naturally with the United States, for, by virtue of our position of even friendliness toward Great Britain and France on the one hand, and Germany on the other, we are the only power that can properly bring about such a concert to work in harmony here, the American Government should have a legitimate standing and be enabled to raise an authoritative voice when called upon to carry out its repeated declarations as to the maintenance of the integrity of China and the conservation of her just rights, against the encroachments of those powers who menace her, and to render to the Chinese Government practical and much needed assistance in furthering administrative reform and in developing progressive work during the present period of transition from ancient to modern methods.

I have the honor to be, Sir,

Your obedient servant,

Enclosures:

1. Copy of Hukuang Loan Agreement
2. Prince Ching to foreign ministers, May 25, 1911.
3. Joint note of foreign ministers to Prince Ching, May 2, 1911.
4. Imperial Edict, May 4, 1911.
5. Imperial Edict, May 5, 1911.
6. Imperial Edict, May 9, 1911.
7. Imperial Edict, May 18, 1911.
8. Article, North China Daily News, May 20, 1911.
9. Article, North China Daily News, May 23, 1911.
10. Article, Peking Daily News, May 31, 1911.

P.

Imperial Edict.
(Translation)

Issued May 18, 1911.

We hereby bestow on Tuan Fang the rank of a Vice President of a Board awaiting appointment (brevet) and create him Director General of the Canton-Hankow and Hankow-Ssuchuan Railways. He is directed at once to proceed to consult with the Viceroys of Hukuang, Liang Kuang and Ssuchuan and with the Governor of Hunan and to proceed with preparations, in reverent conformity with former Edicts.

Respect this.

Signed by Prince Ch'ing Na-t'ung and Hsu Shih-ch'ang.

No. 253.

June 5, 1911.

The Honorable
The Secretary of State,
Washington.

Sir:

I have the honor to transmit herewith despatch number 801 of May 25, 1911, addressed to the Department by the Consul General at Canton, wherein is enclosed a comprehensive report by Mr. Hamilton Butler, the Vice and Deputy Consul General at that place, on the recent revolutionary movement in south China, with certain observations which are both interesting and instructive.

At the present time there are not lacking signs of a renewed and somewhat wide-spread discontent among the Chinese towards their Manchu rulers. This feeling seems to have arisen first from the evidences of the weakness of the Central Government in dealing with Russia and Japan over territorial jurisdiction in Mongolia and Manchuria, and with Great Britain in the Yunnan-Burmah border delimitation dispute, and in the opium trade arrangements. The organization of the Provincial and

National Assemblies offers the people a new method of voicing their discontent, from which they soon drift into an attitude of antagonism to the Central Government. For several months past rumors have been in circulation all over the Empire to the effect that the foreign powers were planning the partition of China. These rumors have been circulated by the native press and from mouth to mouth in all parts of the country with a persistency which suggests some organized activity with the intention of stirring up the people against foreigners and against their own Government. Several of the consuls in the Yangtze Valley and in South China have reported the prevalence of these rumors in their consular districts.

The movement to organize a militia among the people (kuo min chun) has for its ostensible motive the lending of assistance to the Central Government against the aggressions of foreign nations, but it is generally understood both by the officials and people that such a militia, if organized, would be used to intimidate the Central Government and enforce any demands which might be made by the people. The Government is therefore very wisely discouraging the movement. A few weeks ago the Metropolitan police arrested a man who was distributing handbills in Peking urging the people to organize as militiamen. Reports of the spread of this movement have reached me from practically all our consuls.

I have instructed those of our consuls who have reported to me on this general subject that they should take advantage of every opportunity to impress upon the Chinese officials that there is absolutely no foundation for the wild rumors current that China is to be partitioned among certain of the Powers, and that the Chinese populace should not be allowed to proceed with any supposed defensive measures because of such rumors. I, moreover, instructed them that they might well impress upon all the local authorities with whom they came in contact the urgent necessity, for China's own sake,, that the public peace be preserved, and that with this end in view they might find it beneficial to join with their colleagues, in the event of its being decided by the local Consular Body to take concerted action, in adopting necessary measures to suppress effectually the circulation of any inflamatory literature and to bring to an end this foolish movement, which is only calculated to deceive ignorant people to instigate riots and disturbances, thus endangering the lives and property of all foreigners, Americans included.

The native press reports the organization of a new revolutionary society called the "Hui T'ien Hui" with headquarters in Kuangtung Province and branches in the southern and middle provinces extending as far as Honan towards the north. One of the leaders of this organization who was arrested several days ago in Honan made revelations under torture as to the organization in Hupei, Hunan, Szechuan, Yunnan, and Kuangtung. Whether this revolutionary society is to be taken seriously or not it is too early to decide.

The strong stand taken by the Central Government in regard to the construction and control of all the main lines of railway in the provinces, the conclusion of foreign loans contrary to the wishes of the people, and the refusal to convene an extra session of the National Assembly for the discussion of the budget and loans, have exasperated the radical element of the people to an extreme degree.

As mentioned in my number 250 of June 2, 1911, mass meetings were held at Changsha on the 12th, 13th and 14th of May, at which fiery resolutions were passed denouncing the government and demanding the rescinding of the Edict of May 9, 1911, regarding the railways. The Government is, however, paying no attention to the opposition of the people, but has issued a series of strong Edicts announcing its determination to carry out unswervingly the policy adopted. The probable effect of this unwonted exhibition of firmness on the part of the Government will be that the opposition of the radicals will expend itself in violent speeches. The situation, however, can easily become critical, so that it requires careful watching.

I have the honor to be, Sir,

Your obedient servant,

Enclosure:

Mr. Bergholz to the Secretary of State, number 801, May 25, 1911.

AMERICAN LEGATION,
PEKING.

No. 270.

June 23, 1911.

Ack by card Sept 7/11

The Honorable
The Secretary of State,
Washington.

Sir:

In transmitting herewith a translation of a memorial presented to the Throne by the Navy Board on March 9, 1911, I have the honor to invite your attention to several subjects enumerated therein which I think might be of special interest, and perhaps of value to the American Government. It is my understanding that this memorial has been approved by the Throne, and that the Navy Board and the Navy is organized as set forth therein.

I beg to call your attention particularly to purchases of war material abroad, which are covered on page 19, in lines 1 to 3 and 9 to 11.

At the present time the light houses and other aids to navigation, such as light ships, buoys, et cetera, are maintained by the Maritime Customs, but from the perusal of the memorial it is evident it is intended that all these matters shall be under the Navy Board in the future. Whether this change has actually been made or not, or not, I am unable to say, but I am inclined to think that nothing definite has yet been done. As foreign interests are concerned in such change of control, the question will probably, as is customary, be brought by the Chinese Government to the attention of the Diplomatic Body where it will receive the consideration which it merits.

There is a clause making articles purchased for the use of the navy exempt from duty, which is of some interest.

Recognition of the provisions of the Red Cross is to be found on page 30, lines 5 to 7.

It would seem that quarantine matters are to be placed under the control of the medical staff of the navy, and in this connection reference may be had to page 31, lines 9 and 10.

Sea coast fortifications are referred to in several places in the memorial, and it appears that this branch of the national defences is to be controlled by the navy.

It is true that the Chinese, or some of them, have in mind the organization and establishment of a navy. Prince Tsai Hsun, brother of the Prince Regent, is the head of the Department. He is regarded as impracticable and visionary. He has no practical knowledge or experience in naval affairs. He apparently has no advisers of practical value. Admiral Sah, who accompanied the Prince to America, is credited with being the most experienced and with having the best judgment of any of them in naval matters. It is understood that he was not in sympathy with the ambitious designs of the Prince.

The result was, soon after the Prince and he returned from America, he was relieved from duty at Peking. He was sent back to Shanghai to command that naval station or department, where he now is.

The Prince's chief adviser or executive officer is Tan - sometimes called Colonel, sometimes Admiral Tan. He is a very pleasant little fellow, speaks some English, but is not regarded as having either the force or technical experience necessary to make him a competent adviser or director of naval affairs. He has no opinions, no will, no discretion, but to obey the orders of the Prince.

✓ One limitation upon the ambitious designs of the Prince is the want of money. Duke Tsai Tse is the head of the Board of Finance. He holds the purse strings. He is a prudent, serious minded man. He knows well enough that the budget will not bear the burden of any heavy naval appropriation. He is now at his wits end for money to meet actual requirements. It is reported that the Duke will not concede to the demands of the Prince for naval appropriations. The only hope, therefore, for the enlargement of the navy is to borrow the money required.

In considering the question of obtaining orders for ships or guns, it is to be remembered that the predelictions of the Chinese who have any education in naval affairs are pro-British. That is because so many of them have been educated in the naval schools of England or trained on English ships. The result is, all the knowledge they have of naval architecture and armament is English in its conceptions and standards. That is one reason why English influence predominates in Chinese naval affairs. On the other hand, I am told, no Chinese are admitted to our naval academy or allowed on our ships. The Chinese, therefore, know little or nothing of American standards. It is said that some twenty officers from the Argentine Navy are now afloat on American ships; and that the Chinese regard this as a discrimination against them. They are now about to send four students to the Boston School of Technology.

It is also to be noted that there are always several representatives of British ship yards constantly here in Peking. They more or less lavishly entertain the Chinese, and cultivate intimate friendly relations with public officials; while until Gillis came the Americans had no one here. That is, no American in Peking in touch with the naval board or with naval affairs. There are also present representatives of other countries; they are not so prominent as the English, but nevertheless they are here, watching the situation with close attention.

Another thing is to be considered, and that is, the Chinese are subjected to constant and persistent pressure from conflicting national interests over this question of ships and armament. The Chinese feel so helpless in a defensive sense; they have neither the nerve nor the strength nor the independence to take a stand for any one nationality or type of construction as against another. Therefore, they are disposed to favor one nationality today and another one tomorrow. Their entire diplomatic policy is to distribute and balance favors between rival nationalities, so as to avoid the hostility of any one of them; or in other words, to give a piece or a "sop" to each, so there will be no cause for complaint. Even though the Chinese recognize and appreciate the friendliness of the United States for them and for their country, yet that fact alone sometimes works against us. Because they regard us as friends, they do not fear us; while they tremble at the thought of English, German or Japanese displeasure. Hence, they do not give us as much of a show as we have reason to expect. Indeed, their attitude towards the United States, in that regard, is very much like that of the man who, attending church service when a collection was taken up, was asked to give something. He refused to do it. When remonstrated with for his parsimony by one of the deacons he replied that he could not afford to give anything; he had to keep his money for his creditors. The deacon told him that he ought to remember that the Lord was his principal creditor. The man replied that that might be so, but the Lord was not so persistently pressing in his demands as were the other creditors; he could afford to depend on His indulgence, but not on that of his other creditors.

In obedience to the several and repeated instructions from you to secure promises for future ships and especially for American guns on American built ships, I have had several interviews with Admiral Tan; the Prince being out of the city attending to his duties as Superintendent of the Eastern or Western tombs. The Admiral was very vague and indefinite in his statements as to future plans. He made no explicit statement and gave no definite promise, despite my direct questions and continued effort to secure positive answers. He spoke in whispers, seemed nervous about my visits, acted as though he was afraid some one would hear what he said, and suggested by his manner, the presence of spies in the Yaman. Indeed, it is not improbable that each of the competing shipbuilders here, or some of them, have subsidized agents in the naval staff, who give information as to all that is going on, or said or done.

The Admiral speaks very bad English. It is difficult to understand. Dr. Tenney was with me on these visits. On one occasion I tried to have Tan talk in Chinese, so that Tenney might interpret, and thus give me a clearer idea of what he was trying to say. But he refused to talk in Chinese, because he said some one might hear what he said, and the conversation was continued in lame, halting, stuttering English. The best I could make out from what he said was to the following effect, viz: That they have conceived the plan of having their own docks and gun plant wherein to build their own ships and to make their own guns, and thus avoid complications with the various conflicting nationalities. To that end, they have applied to Americans, through Liang Ten Yeh, now in Washington, for a loan wherewith to build the ship and gun plant. You know more about the details of that proposition than I do. For that reason, everyting here seems to be in abeyance until Liang's return, or until they know more definitely the result of his negotiations. If Americans furnish or loan the money required, they will be allowed to furnish the plans and to contract for building and for the equipment of the plants. At present, therefore, they have no plans for the purchase of either ships or armament.

In obedience to your cable instruction of May 16, 5 p. m., I also called on Admiral Tan, and tried to secure from him definite assurances that orders for future ships or armament, or both, might be placed in America, especially that all ships hereafter built there should have American guns. But I could secure no answer definite enough to amount to a promise. He assured me that the only plan then under consideration was to built their own docks and armament plant; it was the only way, he said, whereby they could escape from complications with conflicting foreign interests. If they did not succeed in that plan, then in the future he would do his best to favor American armament and ships. It was plain to me that he was all up in the air as to plans for the future. He did say that Liang had been directed to discuss or negotiate a loan of twenty-five million taels (Tls. 25,000,000), without security; with whom such negotiations were conducted, he did not say and I do not know. He further said this money was to be used in building docks, shipyards, gun plant, et cetera. He gave me to understand that if the American type of guns was to be used, then a license to use American naval patents should be given, otherwise they were to be free to use any kind of guns they might select. He said Liang had informed them that his proposals had been favorably entertained by the American Government and that a naval officer was to be sent here to make final arrangements.

As to foreign naval advisers, Tan stated that none were contemplated; that no Japanese officers were to be appointed; though certain British officers might be employed, as heretofore, to assist in training the home squadron and in the training schools. As to an American adviser, Tan evaded the point by stating that he understood the President had consented to have American officers train a small squadron in such a way as not to interfere with the existing home squadron, which he understood to mean was to be trained in American waters.

Since the foregoing was written, I have seen and talked with Commander Gillis. He has had about the same experience with Admiral Tan that I have had, and has the same estimate of his ability. But Gillis is convinced that they have agreed upon a definite naval programme, although no one knows or can find out what it is. The only question now bothering them is where and how to get the necessary funds. They do not want to borrow from the associated banking groups, Tan says, because that will require the joint participation of the four national groups, and possibly competition between the respective national interests involved for the supply of materials; it may also require the appointment of an adviser and supervision of the expenditure of the moneys. None of these things does Prince Tsai Hsun want. He will never submit to an adviser, and no one with the qualifications and character necessary for the position, will work for or under him. Tan told Gillis they would borrow the money from one national interest alone, and would make their own selection of ships, guns, et cetera. Gillis understands that they are waiting for the return of Liang Ten Yen before determining upon any positive line of action.

It is undoubtedly true that Prince Tsai Hsun is inflamed with the ambition to be at the head of a great naval organization, corresponding in importance to the army organization headed by his brother, Prince Tsai Tao. It is also probable that the expenditure of the funds will have to be committed to the Prince or under his direction. It is generally understood that, when the Prince Regent was installed in office, neither he nor his brothers had any private fortune or independent sources of income. But Tsai Hsun has lately blossomed out as a man of wealth. He is enlarging his palace, has erected a large foreign house, a private theater, et cetera, and is showing the possession of money; the source from which the same is derived is a matter of conjecture which is only secretly discussed.

If I may be allowed to express my own opinion on this subject, the truth is, the Chinese have no use for any large navy. They need, perhaps, the gunboats, cruisers, et cetera, they already have, or have under construction, and no more, for police work in patroling the coast and rivers; for the prevention of smuggling, suppression of riots, and so forth; and for the training of officers and men. But they have no use for battleships. They have no money to pay for them. They have neither the officers nor the men to man them. It is the current belief that if they had one or more battleships, it would only serve to enlarge or strengthen the Japanese navy to that extent; for, if the Japanese have any trouble with the Chinese or with any other nation, they will take or seize such ships whenever they want them, and neither the Chinese nor any one else can prevent it.

The Chinese, stubborn and stolidly conservative as they are, have a certain amount of imagination or false pride. They are fond of externals; they are less for the substance of things. They would like to have all the indicia of a great power, and be respected as such.

Therefore, they want armies and navies, guns and fortresses, flags, drums and bugles, without having the experience or the ability to use them or to care for them. They have no more use at this time for a battleship than a small boy has for a gun. In view of the immediate uses they have for money in the many practical reforms they have inaugurated, in the educational work they are conducting and in the development of their commerce and material resources, and as they have long since reached the limit of taxation, or other source of income, it seems to me unwise, even an unfriendly act, to encourage them to go in debt for the increase of their navy, or for any large naval investment. I can conceive of no greater waste of money. I have such strong convictions on the subject, that I cannot refrain from expressing them.

I have the honor to be, Sir,

Your obedient servant,

Enclosure:

Memorial by Chinese Navy Board, March 9, 1911.

Dispatch No. 270

MEMORIAL

by the

NAVY BOARD

Reporting on the temporary organization of the Board and its sub-departments.

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In obedience to Your Commands, we beg to draw up, in tabular form, the temporary organization of the Navy Board, and respectfully present it for Your Majesty's inspection.

Previously, the temporary commission for the management of naval affairs, in a memorial suggesting a general plan for the organization of the Navy Board, stated to the effect that the officials of all the departments and bureaus, and the number of all other officials, together with all detail regulations, should be discussed and decided by the newly appointed High Commissioners of the Navy in conference with the Commission for the Study of Constitutional Government, and the result reported in a separate memorial and instructions asked for.

On the 3d day of the 11th moon, in the 2d year of Hsuan Tung, we received an Edict to the following effect:-

That to uphold the prestige of a country it was important to pay equal attention both to the navy and to the army; that previously, in drawing up a programme for the organization of the official system, an Edict was received from the Previous

Emperor to the effect that "before the formation of the Navy Board, everything was to be temporarily managed by the Luchün-pu"; after that, Tsai Hsün and Sah Chen Ping were appointed by Edict to be high commissioners for the management of naval affairs; then Tsai Hsün and party were ordered to go abroad to different countries for the purpose of investigating and studying everything. When matters were gradually arranged in a proper order " We, at this time, received a joint memorial by Tsai Hsün and party and the Commission for the Study of Constitutional Government submitting to Us a general plan, in tabular form, of a temporary organization for the Navy Board which was found to be complete and satisfactory after careful perusal, and in view of which, We decided that a separate Board should be formed to assume sole responsibility. We then commanded that the Commission for the Management of Naval Affairs be converted to be the Navy Board, and a high commissioner, together with an associate high commissioner be appointed; that these high commissioners, in order to second and promote the sincere desire of the Government to reform and organize the military strength of the country, should concentrate their minds and exert their true energies to the utmost in the planning and carrying out of their work, and that the affairs of the Department of Naval Command, which should be formed, be directed temporarily by the Naval Board in addition to its regular duties". We received these Commands with great reverence and respect. Since that time, we have borne in mind the original memorial and table submitted by the Commission for the Management of Naval Affairs, and have taken into consideration the circumstances of the affairs of the Naval Board at present, have studied the regulations and organizations of the departments of foreign countries controlling their navies, and have drawn up, with particular care, regulations which are adapted to the times so that benefit may be derived from their execution, and which should be universally effective in order to facilitate the standard of progress and improvement.

In the original memorial there are placed under the Naval Defence Department the Bureau for Reconnaissance and the Bureau for Appointments. The latter controls all matters in connection with the appointment of naval officers in the various provinces, and in this respect it interferes with the duties of the Bureau for the Investigation of Naval Officers, which is incorporated under the Department of Naval Regulations in the original memorial, consequently we have, for the sake of simplicity, placed the Bureau for Appointments under the Department of Naval Regulations. We further find that the Bureau for Reconnaissance, in its general duties, resembles the Department of Sea-routes in foreign countries, which, however, is an independent organization, but as the existing plan of the Navy in China at present requires extension, there is no need to imitate the independent character of this organization which would entail elaborate work; still, the surveying of sea-routes and map-making are matters of great importance in naval administration, and we cannot but organize beforehand a foundation which can be built on in the future. We have, in consequence, made the alteration and have placed this bureau under the Department of Naval Education, with the work of reconnaissance still assigned to it as previously, and from time to time according to circumstances, to be supplied with instruments for the survey of sea-routes and implements for printing maps and plans, and to be gradually enlarged until a rudimentary organization shall have been formed, then to report and ask Your Majesty's instructions for establishing a special department to take charge of all matters in connection with reconnaissance.

Since the Bureau of Appointments and the Bureau for Reconnaissance have been placed under the Department of Naval Regulations and the Department of Naval Education respectively, the Department of Naval Defence, which was established originally, should be henceforth abolished.

Again, as shown in the original table, the Bureau of Investigation, under the Department of Naval Education, in its duties interfered generally with the Bureau for Tactics, consequently it has been proposed to abolish the Bureau of Investigation and to assign its duties to the Bureau for Tactics.

Again, as in the original table is shown, the duties of the Bureau for Arms, under the Department of Naval Regulations, effected to a great extent manufacturing work, we now propose to alter this bureau and place it under the Department of Naval Executives.

The other departments are sub-divided into bureaus in their management of affairs, and as chiefs of departments have been appointed to assume directing control, the sub-chiefs, as shown in the table, can be dispensed with entirely, so that the direction of affairs may be under one head.

As to the Department of Naval Command, it assumes the charge of national defence and operations in war, hence both its duties and responsibilities are of great importance: we, Tsai Hsün and others, as in duty bound, should therefore respect Your Majesty's Commands and direct our subordinate officials to exercise scrupulous care in making arrangements for its organization and exert their true energies in the work in order to show our appreciation of the Government's sincere desire to organize and improve our military strength, and to secure our maritime borders.

We have now drawn up a table showing the offices of the chiefs of all the departments and other offices and the appropriate class of officials to be appointed to fill them, together with their respective duties, and respectfully present it for Your Majesty's Inspection.

If we are favored with Your Consent, we, Tsai Hsün and others will, in obedience to Your Command, have it carried out.

Further, the number of officials we have suggested together with their respective duties was decided with a view to the requirements of the present time and only to be in force for the time being. If, in future, there should be any occasion for additions or alterations of regulations in order that they may be uniform with the other Boards, the Commission for the Study of Constitutional Government will, in conjunction with the Navy Board, ask instructions for their guidance.

Dated the 9th day of the 2d moon of the 3d year of Hsuan tung.

TABLE OF OFFICIALS FOR THE NAVAL BOARD.

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1	High Commissioner of the Navy
1	Associate High Commissioner of the Navy
6	Advisers or Councillors
2	Naval Secretaries
6	Private Secretaries
2	Telegraph operators
2	Engineers
2	Artisans
2	Clerks

DEPARTMENT OF NAVAL REGULATIONS.

1	Chief of Department	(Rear Admiral or Commodore)
1	Chief of Bureau for Regulations	(Commodore or Captain)
1	Chief of Bureau for Investigation	do
1	Chief of Bureau for Appointments	do
1	Chief of Bureau for Navigation	do
1	Chief of Bureau for Machinery	do
14	Bureau officials	1st grade--Captain or Commander 2d grade--Commander or 1st Lieutenant 3d grade--First or Second Lieutenant.
10	Clerks	

DEPARTMENT OF NAVAL EXECUTIVES.

1	Chief of Department	(as before)
1	Chief of Bureau for Naval Construction	do
1	Chief of Bureau for Architectural Construction	(as before)
1	Chief of Bureau for Armaments	(as before)
8	Bureau officials	(do
4	Clerks	

DEPARTMENT OF NAVAL EDUCATION.

1	Chief of Department	(as before)
1	Chief of Bureau for Instruction	do
1	Chief of Bureau for Training and Drills	do
1	Chief of Bureau for Tactics	do
1	Chief of Bureau for Reconnaissance	do
1	Chief of Bureau for Translations	do
14	Bureau officials	do
8	clerks	

DEPARTMENT OF NAVAL ADMINISTRATION.

1	Chief of Department	(as before)
1	Chief of Bureau for Memorials & Dispatches	do
1	Chief of Bureau for Statutory observances	do
1	Chief of Bureau for Receipt and Transmission of dispatches	do
10	Bureau officials	do
8	clclerks	

DEPARTMENT OF NAVAL STORES.

1	Chief of Department	(as before)
1	Chief of Bureau for Revenue & Expenditure	do
1	Chief of Bureau for Stores	do
1	Chief of Bureau for Incidental matters	do
10	Bureau Officials	do
6	Clerks	

DEPARTMENT OF NAVAL TRIBUNALS.

1	Chief of Department	(as before)
2	Judges, 1st grade	
8	(Judges, 2d grade (Judges, 3d grade (Student judges	
3	Clerks	

DEPARTMENT OF SURGERY & MEDICINE.

1	Chief of Department	(as before)
1	Chief of Bureau for Surgery & Medicine	do
1	Chief of Bureau for Sanitation	do
4	Bureau officials	do
5	Clerks	

DEPARTMENT OF ACCOUNTS & STATISTICS.

1	Chief of Department	(Commodore)
1	Chief of Bureau for Accounts	(as before)
1	Chief of Bureau for Statistics	do
8	Bureau officials	do
6	Clerks	

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REMARKS.

The above mentioned offices should be all filled by naval officers, but on account of their limited number, it has been decided to select, for the time being, experienced civil officials of the required rank to take their place.

The Advisers or Councillors are to be divided into 1st, 2d, and 3d grades, and shall be those who have had a naval education.

The Naval and Private Secretaries shall be officers or civil officials of sufficient experience.

The telegraph operators, engineers, and artisans shall be naval officers, subalterns, civil officials, or cadets of appropriate rank.

The clerks shall be selected from civil officials, students, non-commissioned officers, or those of lower rank.

Although every office is to be filled by an official of a certain rank, in case there is no official of the required rank available, when a vacancy occurs, then an official of next lower rank shall be appointed to act on probation.

If, in future, the Chiefs of Departments, by the order of seniority should be promoted to a grade higher than the one originally required for the post, the offices of the department chiefs can then be filled by officers with the grade of Vice Admiral, and that of the Paymaster General by one with the grade of Rear Admiral.

The number of officials for the various departments and bureaus and others of lower grade has been decided on as a temporary measure to suit the circumstances of the present time, but if in the course of the future the affairs of the Board should become more complicated, the Throne shall be memorialized as occasion arises, for permission to make the necessary additions.

In obedience to Your Commands we beg to draw up a detailed list defining the official duties of the High Commissioner, the Associate High Commissioner, and all other officials respectively, and present it respectfully for Your Majesty's Inspection.

The HIGH COMMISSIONER and the ASSOCIATE HIGH COMMISSIONER to be in charge of affairs concerning the executive department of the National Navy, in supreme command of the Navy, its personnel and everything pertaining to the Navy and all the provincial navies, and, for the time being, in control of the Department of Naval Command in addition to their regular duties.

ADVISERS OR COUNCILLORS.

To give advice concerning affairs of the Board; to draw up rules and regulations for the fleets, training schools, and harbor works; and to investigate matters in connection with what should be altered or abolished in the open-sea and provincial fleets.

NAVAL SECRETARIES.

To draw up codes of law and to take charge of affairs referred by the high officials of the Board for discussion and deliberation.

PRIVATE SECRETARIES.

To take charge of the official seal of the Board; to write secret official despatches, official letters, telegrams, and all other official correspondence not connected with any of the departments.

DEPARTMENT OF REGULATIONS.

To administrate the rules and regulations of the Navy; to investigate and examine meritorious services; to control navigation and machinery; and to regulate all promotions and transfers of the personnel of the Navy, to deliberate on their good services and delinquencies, on granting titles to their ancestors, hereditary titles, and rewards and recompenses.

BUREAU FOR REGULATIONS.

To draw up rules for naval ceremonies and etiquette, flag codes, and uniform.

To draw up regulations in regard to service orders, badges, and medals. (After the new Cabinet shall have been created this will be transferred to the Bureau of Rewards under its control.)

To draw up all regulations for ship-board, marine corps, and rules of paying.

To draw up regulations in regard to the appointments of the personnel of the Navy, their duties, the deliberation of meritorious services and delinquencies, the transfer of their commissions, the amount of pay to be decided, recompense and rewards and the granting of decorations and medals.

To take charge of all personal records and registers of the personnel of the Navy.

To draw up all regulations in regard to the promotion, transfer, and retirement of officers after their transfer from the Navy to the Reserve.

To draw up all regulations in regard to the retirement, temporary release from duties on account of mourning for parents, applying for and granting of leave for the personnel of the Navy.

To make up registers containing the names and official ranks of officers, petty officers, and men of the Navy, both on active service and on the reserve lists.

To draw up regulations in regard to naval officers being transferred to the posts of civil officials.

To draw up regulations for the marine corps of the provincial navies and rules for paying.

To draw up regulations for the gendarme corps and bands.

To keep registers containing records of the officers and men of the gendarme corps and bands, and, in conjunction with the Department of Naval Tribunals, to control their transfer dismissal, and promotion.

To draw up, in conjunction with the Department of Naval Education or the Department of Naval Tribunals, as the case may be, all rules in regard to naval discipline.

To draw up regulations of every kind in regard to the enlistment of men for the Navy.

BUREAU FOR INVESTIGATION.

To regulate, in event of Gracious Proclamation from the Throne, the granting of brevet grades and the reinstatement of cashiered officials.

To deliberate and decide on cases of commendation of naval officers and officers of provincial navies for promotion on account of diligent services of every kind.

To deliberate and decide on cases of commendation for favors and rewards on the part of schools, workshops, and depots under the control of the Board.

To decide on cases of commendation of naval officers and officers of provincial navies for brevet grades and records of honorable mention on account of ordinary services of diligence

To investigate all cases in which naval officers and officers of provincial navies are recommended for promotion.

To investigate all matters in regard to naval officers and officers of provincial navies.

To investigate matters concerning naval officers and officers of provincial navies being reinstated in their official ranks, feathers, and brevet titles.

To issue certificates to officers who have been recommended for promotion.

To register the worthy services of naval officers and officers of provincial navies and their recommendation for promotion.

To collect and keep records of worthy services and recommendations for promotion.

To deliberate and propose the granting of compensation and bounties to naval officers and officers of provincial navies in cases of death in battle, death from wounds and disease, and disability from wounds.

To deliberate and propose, in conjunction with the Department of Naval Education, provision for the officials and cadets of naval training schools of all grades.

To investigate and deliberate in cases of conferring decorations, service orders, and medals.

To deliberate and settle on the amount to be expended for the cremation and burial of the petty officers and men of the Navy and provincial navies.

To deliberate and decide in cases when naval officers ~~of~~ and officers of provincial navies have been delinquent, either generally or personally, whether the penalties should be denouncement and dismissal, degradation of rank, or forfeit.

To arrange, in conjunction with the Lu-Chün-Pu, for the quinquennial scrutinizing examinations of naval officers and officers of provincial navies.

To take charge of cases for the expiation of penalties inflicted on naval officers and officers of provincial navies.

To take charge of cases when naval officers and officers of provincial navies, being guilty of offence, retire voluntarily or are compelled to retire.

To investigate cases in regard to cashiered officers.

To investigate and decide cases when naval officers and officers of provincial navies are guilty of procrastination in handing over their posts to their successors.

To record in registers when naval officers and officers of provincial navies are denounced, fined, or entered in the black-book.

To take charge of cases when naval officers and officers of provincial navies apply for titular honors for their ancestors.

To take charge of cases when honorary titles are granted by Imperial Favor, altered, yielded up, or re-assumed by naval officers and officers of the provincial navies or their sons and heirs.

To take charge of cases when hereditary nobles and those with hereditary ranks apply to join the Navy as cadets.

To take charge of cases when cadets wish honorary titles given by Imperial Favor, or given on account of their ancestor dying honorably for the Country, or hereditary nobles and those with hereditary ranks having completed their course of training are granted Audiences by the Throne and commissioned.

To take charge of cases when naval officers and officers of provincial navies have completed the period of their training.

(The work detailed in the five preceding paragraphs should be transferred to the new Cabinet after it comes into existence.)

BUREAU OF APPOINTMENTS.

To register and commission naval officers of the ocean, sea-coast, coast-river, internal-river, and Yangtze River fleets.

To control the promotion and appointment of lieutenants, sub-lieutenants, and warrant officers of the ocean, sea-coast, coast-river, internal river, and Yangtze River fleets.

To issue appointment papers, papers stating time limit for travelling and arrival, and papers of confirmation to officers and non-commissioned officers of the ocean, sea-coast, coast-river, internal-river, and Yangtze River fleets on their appointment.

To arrange for the issue of Imperial Letters-patent for the Admirals' and Vice Admirals' posts of the ocean, sea-coast, coast-river, internal-river, and Yangtze River fleets.

To make inquiries of the Admirals and Vice Admirals of the ocean, sea-coast, coast-river, internal-river, and Yangtze River fleets reporting to the Throne for Audiences.

To draw up memorials applying for the transfer of officers of the land forces to posts in the Navy.

To make arrangements for the degree of confidential commendation of rear-admirals and commodores to the Throne sent in quinquennially by the Viceroys and Governors of the various provinces.

To make out lists of names to be commended the highest by the provincial authorities controlling fleets, and to arrange beforehand names of rear-admirals, commodores, captains, commanders, etc to be commended.

To arrange for the exchange of appointment papers for officers who have completed the period of acting for a post of higher rank.

To suggest the reduction and abolishing of guard-posts by the naval authorities of the various provinces.

To transmit and exchange the monthly reports of the admirals, vice-admirals, rear-admirals, and commodores of the ocean and Yangtze River fleets.

To make up catalogues of the quarterly and general reports sent in by the officers and petty officers of the provincial navies.

To draw up memorials to the Throne asking for the selection and dispatch of officers for the provincial navies.

To make arrangements for the officers of the ocean, sea-coast, coast-river, internal-river, and Yangtze River fleets when they are distributed to different battalions or brigades, or classified into grades, or when their posts are abolished.

To make up and send in to the Board of Civil Appointments for every quarter in the year, lists of posts in the Navy with the names of occupants.

BUREAU FOR NAVIGATION.

To direct, in conjunction with the Department of Naval Education, the final examinations of cadets in navigation on their graduation, in school subjects and in ship-board training.

To regulate the appointments, duties, transfer, dismissal, and promotion of navigating officers.

To study and research the science of navigation, tactics, and maneuvering.

To examine and inspect, in conjunction with the Department of Naval Education, the reports of fleets on experiments in navigation.

To examine and inspect, in conjunction with the Department of Naval Education, sea and river navigating maps, and maps and records of strongholds and naval bases, and make corrections on them when necessary.

To make, in conjunction with the Department of Naval Education, alterations and improvements in light-houses and buoys on rivers and sea-coast, and also in books, records, maps, and sketches on atmospheric signs (?).

To study and research all kinds of instruments for navigation.

To collect and preserve diagrams demonstrating annual records of ships' routes, and to examine and inspect such in conjunction with the Department of Naval Education.

To examine and inspect the annual records of astronomical calculation sent in by the cadets of training ships.

To examine and inspect the annual reports of compass deviations and discrepancy in chronometers sent in by ships.

To review and comment on books concerning all kinds of opinions by authorities on navigation, and determine, in conjunction with the Department of Naval Education, on the treatises on navigation.

To examine and inspect ships' logs, both at sea and in port.

To draw up regulations to prevent collisions between ships.

To examine and investigate, in conjunction with the Department of Naval Tribunals, reports of ships' stranding and being in distress.

To determine on methods of communication to be adopted by the Navy in ordinary times.

BUREAU FOR MACHINERY.

To regulate the appointments, duties, transfers, dismissals, and promotions of the personnel of the engineer corps.

To direct, in conjunction with the Department of Naval Education, the final graduation examinations of cadets of the school of mechanics in their school subjects and ship-board training.

To arrange, in conjunction with the Department of Naval Education, the selection of men from the engineer corps to take up a course of study for special repairs in machinery and to go abroad to study.

To determine, in conjunction with the Department of Naval Executives, on the plan of making machinery for the ships in the manufacturing shops and the method of fitting the same in place.

To control the first trial trips of ships after completion and trials after alteration and repairs.

To control the extensive repairs and improvements of machinery in all the ships.

To study and research every subject in the science of machinery, and to issue general notice giving explanation of improvements when necessary.

To examine and inspect the machinery reports of all the ships.

To collect and preserve all the drawings and sketches of the machinery on board all the ships.

To investigate and determine on which parts of the machinery and tools on board the ships to be condemned and replaced by new pieces.

To draw up, in conjunction with the Department of Naval Tribunals, documents and agreements in connection with the purchasing of all kinds of machinery.

To examine, in conjunction with the Department of Naval Stores, and make inquiries concerning the costs of the repairs, manufacture, and purchase of all kinds of machinery.

To examine and investigate everything in regards to machinery on board the fleets and in workshops.

To investigate and determine on the retention and condemnation of all machinery on board the fleets and in workshops.

To review and comment, in conjunction with the Department of Naval Education, on books containing all kinds of opinion in regard to machinery.

To investigate and determine on the enlistment of gendarmes and the employment of artificers and apprentices for the fleets and workshops.

To examine and investigate the quality of the coal used by the fleets and the workshops.

To examine and investigate the dynamos for electric lights on the sea-coast belonging to the Navy.

DEPARTMENT OF NAVAL EXECUTIVES.

To be in charge of the repairing and construction of ships and building construction.

BUREAU FRO NAVAL CONSTRUCTION.

To determine and estimate the construction and repairs of every class of ship and boat for the sea Navy, and the long junks and boats for the internal rivers in the different provinces.

To file orders from the different provinces and the shipbuilding yards for the construction and repairing of every class of ship and boat and the long junks and boats for the internal rivers, and report the amount expended to the authorities concerned and to the Throne.

To regulate the official appointments, duties, transfers, dismissals, and promotions of officials in charge of constructfon.

To investigate and determine on the material for the ship, engines, and boilers.

To direct the trial trips of ships and boats, and the tests of engines, boilers, and all necessary material. In making arrangements for the abovem the Department of Naval Regulations should be notified.

To settle and draw up, in conjunction with the Department of Naval Regulations#, documents and agreements for the purchase and construction of ships, engines, and boilers and all kinds of machinery, tools, and stores for the different docks and workshops.

To examine and decide, in conjunction with the Department of Naval Stores, on the ships, boats, engines, and boilers to be sold.

To investigate and decide on the additions to be made to all the engines, boilers, and tools on board ship.

To examine and investigate all damaged ships and boats and all damaged engines, boilers, tools and stores in the different docks and workshops.

To examine and decide, in conjunction with the Department of Naval Stores, on the different kinds of machinery, tools, and stores to be sold.

To examine and determine on the material and stores for all kinds of construction and manufacture.

To examine and decide on plans and sketches for all kinds of construction and manufacture.

To investigate and examine and notify the Department of Naval Stores of the possession of docks, workshops, machinery, tools, and properties.

To investigate and inspect all ships docking for repairs, improvement, and over-hauling.

To settle and draw up, in conjunction with the Department of Naval Tribunals, agreements for the engagement of naval constructors.

#Tribunals(?)

To direct, in connection with the Department of Naval Education, the examinations of naval constructors and all cadet graduates.

To draw up, in conjunction with the Department of Naval Tribunals, proposed regulations for granting compensation to naval constructors, artificers, and apprentices for injuries sustained in the service.

To take charge of the examination, inspection, and taking over of all kinds of construction work.

To be responsible for the deputation of inspectors superintending the construction and repair of ships, machinery, and boilers, and the testing of material.

To draw up agreements and decide on the costs of purchasing and fitting up wireless telegraph instruments and stores.

To inspect and examine wireless telegraph instruments and stores and expenses of repairing, etc.

To take charge of petitions for registration by Chinese mercantile ship-building yards and commercial works for the manufacture of all kinds of machinery and articles required by the Navy.

BUREAU FOR ARCHITECTURAL CONSTRUCTION.

To take charge and decide on the construction and repair of: public buildings and offices for the Navy, fortifications, schools, workshops, docks, barracks, wharves, bridges, light-houses and railway lines under the control of the Navy.

To file applications from different provinces concerning all construction and repairs of: public buildings and offices for the Navy, fortifications, schools, workshops, docks, barracks, wharves, bridges, and all other kinds of buildings, and to report the expenditure to the authorities concerned and to the Throne.

To examine and determine the survey of land required for building construction.

To examine and investigate damaged building material and damaged machinery, tools, etc.

To inspect and take over all public buildings and offices for the Navy, fortifications, schools, workshops, docks, wharves, barracks, bridges, light-houses, and all other kinds of buildings constructed or repaired.

To examine and draw up plans and sketches for all kinds of construction work and the machinery and tools used.

To examine and draw up documents and agreements for the purchase or manufacture of the machinery, tools, and stores used in the work of building construction.

To examine and draw up contracts for construction work, and to notify the Department of Naval Stores or the Department of Naval Tribunals.

To be responsible for the deputation of inspectors for the superintendence of construction work or repairs and for testing the quality of building material

To examine and draw up, in conjunction with the Department of Naval Tribunals, agreements for the engagement of architects.

To investigate and determine, in conjunction with the Department of Naval Stores, on the building material, machinery, tools, etc., to be sold at estimate prices.

To direct, in conjunction with the Department of Naval Education, examinations of architects and all cadet graduates,

To draw up, in conjunction with the Department of Naval Tribunals, proposed regulations for granting compensation to architects, artificers, and apprentices for injuries sustained in the service.

To be responsible for the deputation of officials to inspect and take over building material, machinery, tools, stores, etc., purchased.

To be responsible, in conjunction with the Department of Naval Education, for the selection of sites for the construction of fortifications, torpedo ranges, wireless telegraph stations, arms depots, etc.

To take charge of petitions for registration by native commercial works for the manufacture of all kinds of machinery, tools, stores, etc., required for building construction in the Navy.

To take charge of government land required for the interment of marines and artificers and apprentices of the workshops and docks.

BUREAU FOR ARMAMENTS.

To investigate and examine the mountings and fittings of guns, mines, and torpedoes on board ships, to test alterations and repairs and to be responsible for the storage and issue of ordnance material.

To investigate and examine arms depots and ammunition stores for the Navy.

To investigate and examine the method of manufacturing and preserving ammuntion.

To investigate and inspect, in conjunction with the Department of Naval Education, the armaments on board ships, in fortifications, and schools.

To draw up regulations for the preservation of all kinds of armaments.

To inspect and examine the gun mountings and gear on board ships.

To inspect and examine the tackle and gear for hoisting and supplying ammunition on board ships.

To investigate and examine magazines and shell-rooms on board ships.

To decide and arrange, in conjunction with the Department of Naval Stores, for the purchase from foreign countries of guns, rifles, torpedoes, mines, etc.

To make investigations of the latest types of weapons in different countries, and, in conjunction with the Department of Naval Education, to study innovations.

To examine the armament reports from different ships after their target practice with guns and torpedoes.

To decide on and draw up, in conjunction with the Department of Naval Tribunals, agreements for the purchase of arms and weapons.

To investigate and examine the innovations invented from time to time by the works manufacturing guns, rifles, torpedoes, mines, etc.

To regulate the official appointments. duties, etc., of officers and non-commissioned officers of gunnery and torpedo corps.

DEPARTMENT OF NAVAL EDUCATION.

To direct instruction in the different schools, to regulate drilling on board training ships, marine corps, and on board different ships, and the education of officers and men, the standard of training, tactics, reconnaissances, translations, etc.

BUREAU FOR INSTRUCTION.

To determine the purpose and object of instruction in the naval schools of all grades.

To draw up clear regulations for the naval schools of all grades, and to provide for their management.

To make arrangements for the examination, selection, and sending out of naval cadets abroad to different countries for further study, and to draw up clear rules, regulations, precepts, etc, for their guidance.

To arrange and draw up regulations for the various grades of naval schools concerning their entrance examinations, and selections and enrollment of cadets.

To examine and inspect, in conjunction with the Department of Surgery & Medicine or the Department of Naval Stores, the established laws of naval schools of all grades, their instruction and courses of study, controlling regulations, practical management, and affairs pertaining to sanitation and expenditure.

To examine and determine for the use of naval schools all text books in Chinese and foreign languages, together with maps and tables.

To direct and control examinations for naval schools of all grades.

To issue certificates and diplomas to graduates from naval schools of all grades.

To deliberate and propose, in conjunction with the Department of Naval Regulations, commendations for promotion or rewards and recompense to officials of naval schools of all grades.

To make arrangements for the cadet graduates of naval schools of all grades to be raised to those of higher grades or to be sent on board training ships, or to the torpedo, mine, and gunnery corps for practical training.

To deliberate and propose, in conjunction with the Department of Naval Regulations, or the Department of Tribunals, the rewards and censure, dismissal or enrollment of cadets in naval schools of all grades, and when recompense is to be granted.

To deliberate and propose, in conjunction with the Department of Naval Regulations, the transfer and commission of naval cadets of all grades.

To arrange in order and examine the personal records and service register of naval cadets of all grades.

To propose and decide, in conjunction with the Department of Naval Stores, the tuition fees, expenses for outfit and travelling allowances and passage money for going abroad and return for naval cadets.

To plan and provide, in conjunction with the Department of Naval Regulations or the Department of Naval Stores, for naval schools of all grades, school-buildings and dormitories, arms, maps, books, instruments, uniforms, and equipments.

To apply for the appointment of superintendents for naval schools of all grades.

To apply for the engagement of foreign instructors of different special branches.

To apply for the appointment of officials for superintending examinations in naval schools of all grades and to propose and draw up regulations for inspection.

To make provision for everything in relation to naval instruction.

BUREAU FOR TRAINING AND DRILLING.

To draw up regulations for the inspection of the Navy.

To draw up regulations for the maneuvering of different squadrons at sea.

To examine and arrange in order reports by different ships and boats on target practice with heavy and quick-firing guns and torpedoes.

To draw up regulations for the different ships of the Navy in general and night drills, fire drills, drilling at defence, and drilling boats for making assaults.

To draw up regulations for the different ships of the Navy in landing muskets and field guns for drills and target practice.

To draw up regulations for the daily, weekly, and quarterly drills of the different ships, marine corps, and gendarmes in the Navy.

To provide and arrange for different squadrons and training ships cruising to various Chinese and foreign ports.

To draw up regulations for training cadets and marines on board ships of the training squadron.

To arrange and decide the time limit for training cadets on board training ships, the standard qualification for graduation, and their service on board.

To institute verbal commands for drilling on board the different squadrons, and in the marine and torpedo corps and gendarmes.

To inspect and examine reports by the ships, marine and torpedo corps and gendarmes in regard to their training and the subsequent results.

To provide for and propose the engagement of instructors and foreign officers for the training ships, marine corps, and gendarmes.

To examine and draw up regulations for training and rules for instruction on board the training ships, in the marine corps and gendarmes, and provide for the carrying out of the same.

To issue certificates and diplomas to cadet graduates of training ships.

To make arrangements for the cadet graduates of training ships to be transferred to schools of higher grade or to be sent to the torpedo or gunnery corps for further training.

To deliberate and propose, in conjunction with the Department of Naval Regulations, and the Department of Naval Tribunals, rewards and censure for training cadets and marines and when recompence is to be granted.

To decide, in conjunction with the Department of Naval Stores, in questions of pay, allowances, uniforms and equipments for cadets and marines.

To draw up and propose regulations for the enlistment of marines for the navy.

To make provision in all questions concerning naval training and improvements from time to time.

BUREAU OF TACTICS.

To plan and propose the organization of fleets and the addition of ships.

To plan and propose the extension of and improvements for the Navy.

To plan and propose the extension of and improvements for schools, training ships, marine corps and gendarmes.

To plan and propose, in conjunction with the Department of Naval Executives, the construction of defences for the naval bases.

To propose the engagement of Chinese and foreign advisers.

To make arrangements for the cruising of the fleets.

To make arrangements, in conjunction with the Department of Naval Administration or the Department of Naval Stores, for means of communication and transportation of war material.

To draw up rules and regulations for time of war.

To draw up and institute, for time of war, telegraph codes, verbal commands, signal lights, and flag codes.

To collect and preserve all reports from the fleets and provincial navies.

To inspect and examine the condition of defences on the maritime coast.

To control the enlistment, discharge, and mobilization of marines, sailors, and gendarmes.

To proclaim and report when the maritime coast is put in a state of defence and when it is released.

To apply for the appointment and transfer of advisers (or staff officers) for the navy and naval attachés for the legations and embassys.

To study and examine the reports and statistics of naval advisers and naval attachés.

BUREAU OF RECONNAISSANCES.

To undertake the survey and mapping out of the important navigating channels along the sea-coast and rivers.

To examine and study the positions of the estuaries of rivers and bays and ports on the sea-coast of the whole country.

To take charge of the light-ships, light-houses, and light-buoys on the sea coast and rivers.

To draw up maps and records of the navigating channels of rivers, seas, and internal rivers of the whole country.

To investigate the conditions and capacity of all kinds of junks and native boats on the rivers, seas, and internal rivers of the whole country.

To examine and investigate the inter-communication between the navies of the whole country.

To assume charge of surveying ships.

To arrange for the construction of store-houses for sea surveys.

To examine and investigate the fortifications and armaments on the sea-coast and rivers.

To undertake the construction and repair of the fortifications along the sea-coast and rivers.

To examine and inspect the preservation of the armaments and projectiles in the sea-coast and river fortifications.

To devise and plan inter-communication between fortifications along the sea-coast and rivers.

To arrange and dispose heavy batteries in defence of forts. (ports ?)

To examine and inspect the defences in the sea-coast and river fortifications.

To take charge of registers and records of officers and men in fortifications.

To investigate the strength of garrisons in the fortifications.

To manage the appointment of officers and enlistment of men for the garrisons of fortifications..

To plan and provide on which strategic points on the sea and river coasts fortifications should be constructed.

To control the manufacture of material and stores for fortification, and to study the improvements, preservation, and repair of the same.

To undertake the demarcation of fortifications and make arrangements for their defence.

To direct instruction in special schools for the study of strategic position.

BUREAU FOR TRANSLATION.

To undertake to translate dispatches, documents, books, pamphlets, maps and tables handed over by the head authorities of the Board.

To undertake to translate selections from all kinds of rules and regulations for the admiralties and naval schools of different countries and training ships, squadrons, and marine corps.

To undertake to translate selections from treatises, maps, tables, etc., of different countries for naval instruction.

To undertake to translate selections from newspaper articles of different countries concerning naval instruction, training, naval strategy, etc.

To compile and prepare all kinds of text books in Chinese and foreign languages required by naval schools of all grades.

To compile and prepare accounts of all naval battles in China from ancient times.

To arrange and translate histories of naval battles fought by different countries in modern times.

To arrange and translate accounts of naval battles fought by different countries from successive generations.

To arrange and translate accounts of the successive changes of naval law and armaments in different countries.

To arrange and translate accounts of the successive changes in sea-coast and river fortifications of different countries.

To arrange and translate accounts of the organization and management, from beginning to end, of the naval stations and ship-yards of note in different countries.

To translate all kinds of instructions issued during naval engagements, and their execution in different countries.

To translate all kinds of books and treatises for research and study in the navies of different countries.

To undertake the printing of dispatches, documents, books, pamphlets, maps, tables, etc.

DEPARTMENT OF NAVAL ADMINISTRATION.

To receive and transmit official dispatches, documents, letters, etc.; to take charge of registers of the promotion, transfer, and appointment of officials of the Board, and records of their good service and delinquencies; to draw up memorials to the Throne and officials dispatches to other Boards or yamens concerning established ceremonies or etiquette.

BUREAU FOR MEMORIALS AND DISPATCHES.

To draw up memorials for the high ministers of the Board in recognition of favors from the Throne, in applying for leave, and in presenting their respects on arrival in Peking.

To keep official registers and records of all memorials by the Board to the Throne.

To deliver up and return at the end of the year all vermilion Rescripts from the Throne.

To draw up lists of subjects concerning which any department of the Board should memorialize the Throne at any time.

To reply to applications sent in by other Boards or yamens to obtain the signatures and consent of the high ministers of the Board in cases of joint memorials to the Throne.

Whenever there is to be a memorial to the Throne, first to submit it to the high ministers of the Board for perusal, and to make arrangements to have the tablet sent in, and also the memorial submitted to be signed.

To receive Edicts and notes delivered through the "Chŭn-Chi-Chu" and copies of Edicts through the "Nei-Ko", and to make arrangements for the delivery of official dispatches to other Boards or yamens.

To undertake to draw up memorials and dispatches which do not come under any of the Departments.

BUREAU FOR STATUTORY OBSERVANCES.

To regulate the promotion, transfer, dismissal, appointment, examination, and commendation of the officials of the Board, and to direct the recording of their good services and delinquencies.

To make arrangements for officials of the Board to be introduced at the Imperial Audiences.

To draw up memorials applying for the retention and transfer of the officials of the Board.

To compile the personal records of the officials in the Board and particulars for the official catalogue, and to keep registers of their duties and service.

To prepare lists containing the names of the ministers, department and other officials of the Board for the periodical investigation and scrutiny at the Metropolis.

To take charge of the Board officials' applications for leave, and reporting themselves for duty after its expiration, and also their giving notice of going into mourning and reporting themselves for duty after that period has expired.

To make up and submit lists containing the names of department and bureau officials for selection for commissions and post appointments and to draw up instructions from the ministers of the Board for commissions.

To examine and investigate affairs concerning officials of the Board.

Whenever there is to be any sacrificial ceremony, to submit the names and titles of the ministers of the Board and to apply for the appointment of department and other officials.

To arrange, in conjunction with the Department of Naval Regulations, for the officials of the Board to assume hereditary titles and to apply for titular honors.

To take delivery of the Imperial Manifestos (copied on yellow paper) and to send in applications for Imperial Almanacs.

To make arrangements for officials of all grades to be introduced to the inspections by high ministers before attending the Imperial Audiences.

To draw up complete reports of all kinds for the officials of the Board.

To issue official seals of all kinds and sketched models.

To take charge of everything in connection with statutory observances and ceremonies which do not come under any of the departments.

BUREAU FOR THE RECEIPT AND TRANSMISSION OF OFFICIAL DOCUMENTS.

To transmit matters ordered by the ministers of the Board for execution to the departments to be transacted or filed, and to take delivery of all kinds of official documents from the different yamens of the metropolis and provinces.

To take delivery of endorsements to the official dispatches from different provinces and to take charge of all petitions and letters concerning the plans and sketches of land belonging to Manchu banners.

To record the date of arrival at the Metropolis of officials from different provinces who are to be introduced to the Imperial Audiences and to make arrangements for the accompanying dispatches to be endorsed.

To be responsible for the transmission of all dispatches and official correspondence from the Board to the different yamens of the Metropolis and the provinces.

To investigate and inquire into the time limit for the transaction of business by the various departments.

To note the substance of dispatches on their delivery daily and record it in registers to be submitted to the/ministers of the Board for signature confirming arrival and distributed to the respective departments.

To note the substance of dispatches on their delivery daily and record it in registers which are to be submitted to the ministers of the Board for perusal and signature.

To investigate and find out whether there are omissions in taking copies of Edicts, etc., transmitted through the "Nei-Ko".

DEPARTMENT OF NAVAL STORES.

To take charge of the revenue and expenditure of the Board and the Navy; to control the inspection of coal, provisions, clothing, equipment, stores, and all incidental matters of the Board.

BUREAU FOR REVENUE AND EXPENDITURE.

To compute and receive all kinds of funds for the Navy and all revenues.

To compute and receive contributions from different provinces towards the expenses of naval cadets studying abroad.

To take charge of all payments for the purchase of ships, armaments, arms, equipments, coal, and for additional stores and material.

To issue pay and allowances for officers and men on board ships.

To issue payment for the construction and repair of naval stations, docks, and schools, and wages and allowances for all the men employed.

To issue payment of expenses for naval cadets studying in different countries and for all incidental items.

To issue payment of salaries and allowances for officials resident in different countries and for their official expenses.

To issue payment of salaries, official expenses, and allowances for all officials in the Board, the wages for the petty officials and servants, all expenses incurred in the public service and all other payments.

To issue payment of salaries, official expenditure, and allowances for commanders-in-chief, and payment for officers and men of the gendarmes.

BUREAU FOR STORES.

To take charge of all uniforms, accoutrements, instruments, tools and necessary articles for the squadrons, schools, workshops, and gendarme corps.

To propose and draw up regulations for issuing provisions, bedding, uniforms, and other naval requisites to squadrons and schools.

To examine and inspect store-houses belonging to the different work-shops, naval stations, squadrons, and schools.

To examine and investigate the quarterly reports of squadrons and schools concerning the rendition and exchange of naval requisites.

To take charge of the uniforms, accoutrements, provisions and fodder for the gendarme corps, and make arrangements for their issue.

To undertake to provide store-houses of all kindsfor the Navy.

To control arrangements for a permanent stock of coal and water for the workshops, naval stations, and squadrons.

To draw up agreements with commercial firms for the manufacture (or purchase) of naval requisites, stores, and material.

To memorialize the Throne or consult with the proper authorities for the issue of certificates authorizing exemption from duty on goods and articles purchased for the use of the Navy and schools.

To investigate and study the method of purchasing all kinds of articles by inviting tenders from the public.

To consult the Department of Naval Regulations and propose uniforms and accoutrements for petty officers and men.

To examine and investigate the method of storing and preserving uniforms and accoutrements at the naval stations and on board the squadrons.

To investigate and examine the cost price of articles required from different foreign countries.

To investigate and examine reports of consumable stores, instruments, and coal by different squadrons, schools, work-shops, and gendarme corps.

To draw up documents and agreements to procure, in time of war, naval requisites from the public.

To examine and inspect transportation for different squadrons, schools, work-shops, and gendarme corps.

To draw up rules and regulations for all kinds of management.

To collect and preserve, as the result of investigation, all kinds of documents, records, tables, and registers concerning management.

BUREAU FOR INCIDENTAL MATTERS.

To supply for the use of the ministers of the Board all stationary, pens, ink, and all other articles.

To undertake the maintenance of the customs and usages of the whole Board.

To take charge of all building construction and repairs for the Board, and to settle and issue payment for all incidental expenses.

To undertake to purchase and supply for the whole Board all kinds of instruments, tools, and articles.

To control petty officers on duty, and to look after the behavior of all the servants and attendants of the Board and the opening and closing daily.

To investigate arrangements for food to be supplied to officials on duty daily, and payment for coal and water supplied to the Board monthly.

To store up all articles not under the control ofany of the departments.

To assume charge of all incidental matters of the Board and of everything pertaining to entertainments.

DEPARTMENT OF NAVAL TRIBUNALS.

In charge of the jurisdiction of the naval code oflaw, to regulate punishments and prisons, to employ officials for the dispensation of the law. The department not to be subdivided into bureaus.

To draw up orders for enquiry concerning captures, to draw up a penal code for the Navy and to decide on the procedure in naval trials, to regulate the execution of the penal code and of the verdicts given in naval trials, and to see to the execution of naval penalties, naval prison law, laws for the preservation of naval secrets, and all other laws and regulations.

To control all discipline concerning the gendarmes.

To control courts-martial and courts of inquiry for captures.

To regulate the appointments, duties, transfers, dismissals, promotions, instruction and examination of judicial officials in the Navy.

To examine and investigate offences against the discipline and orders of the Navy.

To inquire into and investigate errors of courts-martial at the naval stations and on board the squadrons.

To investigate and examine cases of inquiry into transgressions of naval discipline instituted by the naval stations and different squadrons.

To make arrangements for the Imperial Pardon and removal of naval criminals. (execution ?)

To investigate and inspect confiscations and transfer of moneys, articles, and properties for the benefit of the naval stores.

To decide and propose, in conjunction with the naval advisers, all kinds of general agreements and service duties for the Navy.

To consult the naval advisers in drawing up contracts and agreements in conjunction with any of the departments of the Board.

To control the instruction of naval officers in the study of naval law.

To assume charge of prisoners of war and everything captured by the Navy in time of war.

To observe, after consultation with the naval advisers, neutrality during war time, and to take charge of international dealings affecting naval matters.

DEPARTMENT OF NAVAL SURGERY AND MEDICINE.

To control affairs concerning the treatment of wounds, medical attendance, sanitation, instruction in surgical science, etc.

BUREAU FOR SURGERY & MEDICINE.

To take charge of affairs concerning the internal and external treatment of the personnel in the Navy.

To control schools of surgery for the Navy, and to regulate the employment of naval surgeons both in time of peace and in time of war, and also their appointments, duties, transfers, dismissals, and promotions.

To examine the services of surgeons in the schools of surgery for the Navy.

To propose and draw up, in conjunction with the Department of Naval Tribunals, agreements for the engagement of foreign instructors for the schools of surgery in the Navy.

To make arrangements for the regulations of the Red Cross Society concerning surgical and medical treatment on the battlefield to be carried out into practice.

To suggest the appointment of officials to go abroad to attend conferences for the study and research of surgical science.

To undertake to study and examine such subjects as the surgical conferences suggest.

To issue, in conjunction with the Department of Naval Regulations, appointment papers to the officers of the medical corps in the Navy.

To determine on the course to be taken by the students of the schools for surgery and to inspect their examination papers.

To issue, in conjunction with the Department of Naval Education, diplomas to the graduates of the schools of surgery and to attend to the registration of their names.

To carry out physical examinations of students who are to go abroad.

To carry out physical examinations of candidates students for naval schools of all grades, and of graduates who present themselves at the Board examinations.

To investigate and determine whether naval officers and men who, on account of disease or wounds, apply for permission to retire from the service, should be examined.

To make arrangements for recompense to be granted to officers and men of the Navy who have contracted diseases or sustained wounds in the service.

To make arrangements to supply medical treatment to officers and men of the different places in the Navy in cases of sickness or wounds.

To manage matters in connection with naval hospitals.

To plan and carry out the training of the guards and men of the hospital corps.

To plan and organize hospital ships.

To carry out physical examination of officers and men of the navy.

To draw up tables and records for the comparison of the monthly sick-lists on board the squadrons, in schools, hospitals, and work-shops.

To propose and draw up regulations of management for the hospitals depots, hospitals, sick-wards, removed (?) places for the wounded, and hospital ships.

BUREAU FOR SANITATION.

To examine and inspect the practical results of the officers and men of the medical corps in their treatment of cases, and sanitary measures both in time of peace and in time of war.

To examine and inspect, in conjunction with the Department of Naval Education, or the Department of Naval Stores, the sanitation of all the schools in the navy.

To take charge of sanitary measures for the prevention of plague in ports along the sea and river coasts.

To examine and inspect sanitary reports, and the results of the training acquired by the officers and men of the medical corps.

To draw up a general statistical account of reports made by the medical corps in the Navy on matters concerning sanitation.

To make arrangements for prevention against and treatment of plague (or epidemic) cases, both in time of peace and in time of war.

To examine and determine on the plan for naval hospitals.

To propose and determine on the material and stores for sanitary purposes, both in time of peace and in time of war.

To investigate and determine on the method of treatment in and the removal to hospitals and hospital ships during time of war.

To examine and study the instruments and medicine employed by naval surgeons.

To examine and study the preparation of medicines and the purchase and supply of instruments for the use of the Navy.

To plan and establish works for the manufacture of medicines and materials for sanitary purposes.

To investigate and inspect works for the manufacture of sanitary materials.

To investigate and inspect the storage and consumption of medicine and instruments for sanitary purposes.

To study and examine the latest discoveries in medicine in different countries.

To investigate the quantity of medicine used on board the different squadrons.

To apply for the appointment of dispensers.

To examine the practical result of the work done by dispensers.

To provide for the instruction of student dispensers.

To inspect and investigate sanitary arrangements in regard to the disinfection of the clothing, food, drinking water, and articles of daily use on board the squadrons, and in schools, hospitals, work-shops, etc.

DEPARTMENT OF ACCOUNTS & STATISTICS.

To calculate the receipts and expenditure of every kind for the Board, and also payment for all items in connection with the Navy in different provinces, and to make up general statistics for the whole Navy.

BUREAU FOR ACCOUNTS.

To calculate the annual receipts of the Board for the organization of the Navy.

To calculate the amount of contributions received by the Board for expenditures in the Navy.

To calculate the amounts received by the Board for paying the expenses of educating naval cadets abroad.

To calculate the payment by the Board of all ordinary and extemporary expenditure for the different squadrons and marine corps.

To calculate the payment by the Board of all ordinary and extemporary expenditure for all the schools, work-shops, naval stations, docks, depots, etc.

To calculate the payment by the Board of all ordinary and extemporary expenditure for educating naval cadets abroad.

To calculate the payment by the Board for the cost of construction of ships and armaments and all requisites.

To calculate the payment by the Board for the cost of all classes of building construction.

To calculate the payment by the Board for the salaries, allowances, and official expenditure of resident officials in different countries.

To calculate and classify all the Board's receipts and payments.

To investigate and examine all payments concerning the Navy made by the different provinces.

To make up estimates for the naval expenditure.

To calculate the actual amount of expenditure for the Navy.

To plan and determine the method of making up detailed accounts for the Navy.

BUREAU FOR GENERAL STATISTICAL ACCOUNTS.

To compile statistical accounts for the internal Departments of the Board.

To compile statistical accounts for all the yamens and public offices under the control of the Board.

To compile statistical accounts for the personnel of the whole national Navy.

To compile statistical accounts for ships, boats, etc. of every class.

To compile statistical accounts for all the squadrons.

To compile statistical accounts for docks.

To compile statistical accounts for all the depots and work-shops.

To compile statistical accounts for fortifications and strongholds.

To compile statistical accounts for armaments, torpedoes and all tool, instruments, and articles required by the Navy.

To compile statistical accounts for naval stations.

To compile statistical accounts for the defence and marine troop corps of the provincial navies.

To compile statistical accounts for all the war junks along the sea coast and rivers.

To compile statistical accounts for instruction in the Navy.

To compile statistical accounts for naval cadets studying in different countries.

To compile statistical accounts for comparison for all the above items during previous years.

To compile annually complete statistical accounts for presentation to the Throne and other government departments.

AMERICAN LEGATION,
PEKING.

No. 291. July 19, 1911.

Ack by card Aug. 21, 1911.

The Honorable
The Secretary of State,
Washington.

Sir:

Referring to Mr. Calhoun's number 239 of May 11, 1911, reporting the issuance of Edicts providing for the abolition of the Grand Council and the organization and formation of a Cabinet, I have the honor to enclose herewith a translation of the detailed arrangement for the organization of the Cabinet, appearing in the Official Gazette of June 24, 1911.

It is thought that this translation might be of some value, if not of much interest, as supplementing the data respecting this general subject as contained in former reports.

I gather that these detailed arrangements to be followed in the constitution of the cabinet have been copied nearly verbatim from the Japanese, but as I have no means of making the comparison I cannot vouch for the fact, although It seems highly probable, as there are

Japanese employes in the Bureau of the Commission of Constitutional Reform. The members of this commission are Prince Ching, Prince Yu Lang, Na Tung, and Hsu Shih-chang, the officials who constituted the Grand Council before it was abolished by the Edict of May 8, 1911.

In this connection, I beg to enclose copy of an article appearing in the National Review (Shanghai) of July 1, 1911.

I have the honor to be, Sir,
Your obedient servant,

Chargé d'Affaires.

Enclosures:

Detailed arrangement of organization of the Cabinet.
Article, National Review (Shanghai) July 1, 1911.

The Constitution of the Cabinet as Sanctioned in the Imperial Edict of May 8, 1911.

(Translation of the Peking Daily News.)

I. The Cabinet shall be composed of Ministers of State.

II. The Ministers of State shall consist of the Prime Minister and the following Ministers of Departments: the Minister of Foreign Affairs, the Minister of Civil Affairs, the Minister of Finance, the Minister of Education, the Minister of Justice, the Minister of Agriculture, Industry and Commerce, the Minister of Posts and Communications, and the Minister of Dependencies.

III. The Ministers of State shall assist the Emperor, assuming responsibility.

IV. The Prime Minister shall be the leader among the Ministers of State, and in obedience to Imperial commands shall formulate the national policy and maintain the executive unification.

V The Prime Minister considering the ordinances and regulations or decisions of the Ministers of the several Deparmtnets to be objectionable may order their temporary suspension and memorialize the Throne for Imperial decision thereon.

VI. The Prime Minister may issue instructions to the chief officials in the different provinces and the various dependencies with regard to matters within his jurisdiction.

VII. The Prime Minister in matters within his power may exercise supervisory and directional control over the chief officials in the differnet provinces and dependencies and in case he should consider their orders and decisions to be contrary to law or to be beyond their powers, may order the temporary suspension of such orders and decisions and memorialize the Throne for Imperial decision thereon.

VIII. The Prime Minister in accordance with his functions or delegated powers may memorialize the Throne for the issuance of Orders of Cabinet.

IX. The Prime Minister may be received in Imperial Audience at any time, and the Ministers of the different departments in matters within their jurisdiction may be received in Imperial Audience together with the Prime Minister at any time, or may memorialize the Throne to be received in Audience alone. Excepting Ministers of State, any official who is entitled to be received in Imperial Audience and who has matters of State to be laid before the Throne may be presented by the Prime Minister. This is not applicable to those who are ordered to report to the Throne by Imperial Edicts or by special laws and regulations.

X. Memorials on State affairs concerning all the Departments in general shall be jointly presented by the Ministers of State and those concerning one Department or several departments only shall be jointly presented by the Prime Minister and the Minister or Ministers concerned. Excepting those of Ministers of State, memorials of officials who are entitled to memorialze the Throne on

State affairs, may be presented to the Throne through the Prime Minister, this however, not being applicable to those under special regulations and laws.

XI. Laws and Imperial Rescripts and Imperial Edicts having reference to State affairs shall be countersigned by the Ministers of State, if they concern all the Departments in general, and by the Prime Minister and the Minister of Ministers concerned if they affect one Department or several Departments only.

XII. The following matters shall be subject to discussion by the Cabinet: (1) Law Bills, Imperial Rescripts and Official System, (2) Budget Balance, (3) Expenses not detailed in the Budget, (4) Treaties and Important diplomatic affairs, (5) Movements of officials above those appointed by Memorials, (6) Conflict of powers of the different Departments, (7) Matters submitted for discussion by Special Edicts, or petitions of the people transmitted by the Parliament, (8) Important administrative questions of the different Departments (9) Matters which should be discussed by the Cabinet according to laws and regulations (10) Matters which in the opinion of the Prime Minister or the Ministers of the different Departments ought to be discussed by the Cabinet.

XIII. Questions discussed in the Cabinet shall be decided by the prepondering opinion of the Ministers of State. The Prime Minister shall preside in all Cabinet meetings.

XIV. Matters concerning military secrets or military orders, except those specially submitted to the Cabinet for discussion by Imperial Edicts, shall be dealt with by Memorials presented by the Minister of War and Minister of Navy alone, and reports may be made to the Prime Minister after Imperial sanction thereon having been secured for their execution.

XV. The Prime Minister, who shall be otherwise engaged for the time being, may memorialize the Throne to appoint one of the Ministers of State to act for him.

XVI. The Ministers of the different Departments who shall be otherwise engaged for the time being may memorialise the Throne to have the Minister of another acting for him.

XVII. Besides those Ministers of State enumerated in Article 2 of this Constitution those who shall be specially appointed to join the Cabinet on account of some important affairs for the time being shall be Special Ministers of State who are not to be ranked among the ordinary Ministers of State.

XVIII. Special Ministers of State, in the matter of Memorials and countersignature are confined to the particular important matters in question and memorials shall be presented jointly with the Prime Minister in accordance with Articles 9, 10, 11 of this Constitution.

Supplementary Article.

Article XIX. After the present Constitution shall have been promulgated by Imperial Edicts, and in case modifications should be made thereon, Imperial Commands to that effect are respectfully awaited or Imperial Decisions shall be respectfully awaited upoh Memorials having been presented by the Cabinet.

Imperial Edict.

(Translation of the Peking Daily News.)

Issued May 8, 1911.

Last year We issued a Decree ordering the framing and promulgating of the regulations dealing with the official system and the Cabinet. Subsequently the Commission for the Study of Constitutional Government submitted a revised programme of the preparation work and We decided to promulgate the official system and the formation of the Cabinet for the third year of Hsuantung so as to centralize the administration and determine a line of policy in accordance with the principle of consititutional government. Now the said Commission and the Cheng Wu Ch'u, after due consideration have prepared and submitted for Our perusal the official system of the Cabinet. We find that the nineteen regulations relating to the official system are satisfactory and they are made out after consulting the systems of various constitutional countries and the prevailing circumstances. Besides this, the Cabinet system being newly introduced should make progress step by step and should be carried out as an experimental measure; the fourteen temporary rules relating to the routine work of the Cabinet are also found to be practicable and when the Princes and Ministers of the Cheng Wu Ch'u are personally questioned upon the subject they all express the same opinion in favor of the regulations. It is therefore hereby ordered that the Cabinet system be promulgated, the Cabinet be formed under that system and the temporary regulations be enforced in the first instance. With the exception of the official system of the Privy Council which is promulgated simultaneously with that of the Cabinet, We command that the system dealing with the appointment of subordinate officers of the Cabinet, the various official regulations be speedily framed and forwarded to Us for approval in accordance with the work of preparation so as to meet Our desire in making progress in constitutional government and in strengthening the Empire.

The Provisional Regulations for the Cabinet, Sanctioned in the Imperial Edict of May 8, 1911.

(Translation of the Peking Daily News.)

I. In the new Cabinet there will be a Premier with one or two Assistant Premiers. These high dignitaries are to be appointed by the Throne.

Ministers of State for various departments shall also be appointed by the Throne from among the high officials who are now in charge of the various Boards.

When the Premier is prevented by business from attending the Cabinet meeting, a Vice Premier shall preside over such a meeting.

II. There shall be a Council Room set apart for the purpose of holding the Cabinet meetings, to which the Ministers of State shall be invited by the Premier and Assistant Premiers wo transact such business as will come be fore the Cabinet.

III. Articles 3, 9, and 10, of the Constitution of the Cabinet are also applicable to the Assistant Premiers.

IV. The Premier and Assistant Premiers shall be recieved in audience every day. Certain days shall be set apart for the Ministers of State to be received in Audience. In case they are specially summoned by Imperial command or they have important affairs to report to the Throne, they can be received in Audience accompanied by the Premier or Assistant Premiers. They are also permitted to ask for special Audience if important business in connection with their departments necessitates their doing so.

V.

V. Prior to the promulgation of the new Civil Service for the Empire, such officials as have hitherto been entitlted to Imperial Augience shall continue to enjoy the privilege, whenever it is necessary for them to report on state affairs. They shall be introduce by the Premier or Assistant Premiers. This limitation shall not apply to the undermentioned high officials: Lords in Waiting, Chief of the Imperial Body Guard, Chief of the General Staff, Minister of the Navy, Ministers of the Imperial Clan, Ministers of the Imperial Household, and the Presidents of the Privy Council and the National Assembly.

The Tartar Generals, Viceroys, and Governors desiring to give their opinions on Imperial affairs shall first consult the Premier or Assistant Premiers before they can be granted an audience, unless they are specially summoned by the Throne.

VI. Prior to the promulgation of the new Civil Service, such officials as have been entitlted to memorialise the Throne shall continue to enjoy the right of submitting their views on state affairs for Imperial consideration. Censors are still permitted to present memorials denouncing Ministers of State. Important department memorials shall be presented conjointly by the Premier and Assistant Premiers together with the Minister of State in Charge, while routine memorials may be presented by the latter alone, copies of which being sent ot the Cabinet for its information. In both cases, the question at issue

sue shall be decided by the Premier and Assistant Premiers and the Minister of State in charge of the Department who shall together memorialize the Throne for Imperial sanction.

VII. The Ministers of War and the Navy shall have the right to present memorials direct to the Throne without passing through the Cabinet.

VIII. With the exception of the war office and the admiralty all the departments shall draw up regulations in consultation with the Premier or Vice Premiers of the Cabinet for the purpose of specifying what afairs should be submitted to the Throne for settlement and what affairs can be settled without being referred to the Throne.

Before the introduction of the aforesaid regulation, all the work in connexion with every department shall be conducted in the same manner as before, all the important affairs that should be carefully considered and discussed must be reported to the Throne with the request that they may be referred to the Cabinet for consideration Any decision that the Cabinet may thus arrive at shall be reported to the Throne for decision.

In the event of there being no time to proceed with the matter in accordance with the above procedure the Premier or Vice Premiers of the Cabinet are at liberty to submit any matter at any time to the Throne for discussion.

IX, X., and XI. provide the way in which the ordinary work of the departments is to be conducted. Regulation No. IX. further provides that every seventh day shall be set apart as a day for rest.

XII. The old Grand Secretariat, the Grand Council, and the Government Council are hereby abolished.

XIII. The regulation provides that all the civil appointments shall be made for the time being in the same manner as before.

XIV. These regulations shall be promulgated simultaneously with the other set of regulations. They can only be abrogated under Imperial sanction. Should it be subsequently found desirable to amend these regulations to meet unexpected circumstances that may hereafter arise they can be modified with Imperial sanction.

AMERICAN LEGATION,
PEKING.

No. 293. July 19, 1911.

Ack by card Sept. 7, 1911

The Honorable
The Secretary of State,
Washington.

Sir:

Regarding the renewal of the Anglo-Japanese Alliance, I have the honor to state that since the conclusion of the Portsmouth Treaty on September 5, 1905, and the Russo-Japanese Convention of July 4, 1910, no event has happened here of such signal interest and importance as the renewal of this alliance. I beg to enclose copy of a statement on this subject, which may be taken as semi-official, appearing as a leading article in the Peking Daily News of the 17th instant.

In the forenoon of the 15th instant, a few hours before the fact of renewal became known in Peking, the Japanese Minister, Mr. Ijuin, sent me informally a copy of the official text, and in an accompanying letter stated that the modified terms of the Alliance, notably Article IV, smoothes the way for the conclusion of a general arbitration treaty between the United States and

Great Britain, and at the same time removes all sorts of odd speculations as to the possible discontinuance of the Alliance in and after 1915. Mr. Ijuin stated further "incidentally I dare believe this agreement removes also any misapprehension attempted to be created by some crazed jingoes as to the possible or probable scheme on the part of Japan against America. In short the alliance, as renewed, is to be welcomed on all sides."

The time is still too early to speak authoritatively with regard to the effect the renewal of the alliance is likely to have on the Chinese. So far as concerns the Legations here, it may be said that the incident created something of a sensation among them. The Chinese were visably disconcerted at the news, the first intimation they received of the existence of the new alliance being when Mr. Ijuin called at the Foreign Office on the afternoon of the 15th instant and handed the Ministers a copy of it.

The same evening Mr. Hoo Wei-teh, the Vice Minister of Foreign Affairs, called upon me with reference to the new alliance. He appeared undecided as to what course to pursue respecting any reply which China might decide to make to Japan and Great Britain; and also as to what statement or communique might be handed to the press regarding the new treaty. Having thus been approached for advice , I counselled strongly against asking for explanations or expressing sentiment other than that the alliance merely extends the previous one, except for some slight modifications and one important addition which do not directly concern China, and therefore reiterates the principles underlying the old alliance.

I

I told Mr. Hoo that I thought the Chinese Government might, in formally replying to the British and Japanese Governments, express itself as welcoming a document which has for one of its abowed objects the preservation of the "status quo", and declare its gratification at the emphatic and renewed declaration of adherence on the part of the two contracting Powers to the policy of the maintenance of the independence and integrity of China and the principle of equality of opportunity for the commerce and industry of all nations in that Empire. I stated also that, while to my mind the treaty contains nothing to which the slightest objection can be taken by China, it would be an achievement of far-reaching effect if China could obtain from the British Foreign Office (it would perhaps be too much to hope for such a thing from Japan) a declaration to the effect that the expressions "China" and "the Chinese Empire" are held by both the signatory Powers specifically to include Manchuria. I told him that the British Government in 1900 construed the term China as necessarily including Manchuria, and that it seems to me China might in some manner with propriety and with beneficial results let Great Britain know that she assumes that no departure from this reading is contemplated in the present compact. I suggested that His Excellency Liang Tun-yen, who is now on his way to London, might perhaps be given telegraphic instructions to approach the British Government with a view to obtaining such a declaration. Mr. Hoo stated that he would lay the idea before his fellow Ministers. He also expressed an intention of handing a statement to the press embodying the views expressed above.

The Chinese officials are enthusiastic in rexpressing it as their feeling that the indirect influence which England can exercise on Japan has become greater because of Article IV, as they believe that compulsory arbitration between Great Britain and the United States is tantamount to a moral alliance, and that the treaty now means far less than the former one did. Several Chinese officials with whom I spoke recently express the opinion that, as regards Japan, while the new treaty is obviously a valuable security for peace and the continuance of Japan's policy on the mainland, it is also a set back to Japan's ambitions which she is currently credited throughout the Far East as holding at the expense of the United States, for it deprives her of British countenance and support should she ever contemplate war against the United States, and without British support it is clear that Japan can never wage successful war against America.

A good understanding between America and Great Britain , apart from being a good thing for their respective interests in general, also goes far in insuring the preservation of the balance of power in the Pacific Ocean.

A large part of British public opinion in the Orient does not look with favor upon the renewal of the alliance, as they believe that the arrangement is not proving an unmixed blessing to British interests in the Far East; also that its usefulness to British commercial interests has disappeared owing to the Japanese attitude towards the British. Japan showed no desire to consult British convenience in the imposition of her new commercial tariff, while it is notorious that she is using

British money in the Far East to subsidize her onw industry and shipping at the expense of British enterprise in these directions.

As showing the disposition of the high Chinese officials to discuss with this Legation questions of unusual international importance affecting China, it may be of interest to the Department to learn that during an interview yesterday with Sheng Kung-pao, on whom I had occasion to call with reference to the proposed conservancy work by Mr. C. D. Jameson in the famine district, my opinion was asked as to the probable effect of the renewed alliance on China's foreign relations. On repeating to Sheng briefly the same views as those expressed to the Vice Minister of Foreign Affairs, he declared himself as being in entire agreement.

I shall continue to observe the effect of the new compact on the Chinese Government and promptly and fully advise you thereof.

I have the honor to be, Sir,

Your obedient servant,

Chargé d'Affaires.

Enclosure:

Article, Peking Daily News, July 17, 1911.

AMERICAN LEGATION,
PEKING.

No. 306. August 3, 1911.

The Honorable
The Secretary of State,
Washington.

Sir:

I have the honor to enclose herewith a copy of the "The Revised Regulations for the Tsucheng Yuan, or National Assembly." These regulations were drafted by the new Cabinet in conjunction with the President and Vice President of the Assembly, and were approved by an Edict issued July 3, 1911. The preamble to the Memorial to the Throne in which was embodied the revised regulations states that owing to altered conditions, changes have been found necessary. The first is due to the abrogation of the "Grand" Council, and the formation of the new Cabinet and a Privy Council, in consequence of which it becomes necessary to define the relationship between these bodies and the Assembly. The second change results from the adoption of the new Law Code, while the third is intended to rectify omissions made manifest by experience. The question of the connection between the Provisional Assemblies and the Viceroys and

Governors is also dealt with, with a view to insuring the smooth working of the constitutional machinery. Fourthly, it was found imperative to define the powers of the Assembly itself, so as to avoid delays and mistakes.

The net result has been that the scope of the Assembly is restricted, while emphasis is laid on the fact that it is purely an advisory body, with no executive powers. The Assembly is deprived of the right to impeach members of the Government, all that it can do now being to report the matter to the Throne through the President of the Assembly. The Assembly is forbidden to discuss foreign affairs, a step which was probably prompted by the strong anti-foreign feeling manifested in the provisional assemblies, as well as in the National Assembly, for in most cases the assemblymen do not understand the delicacy of diplomatic negotiations or the importance of the issues involved. A special session of the Assembly may be called to deal with urgent affairs, but it can be convoked only at the desire of and by the Throne and not by the Assembly itself. This action removes any ground for dangerous agitation, as was the case last spring during the period when the Assembly is not in session. The importance of this revision of the regulations of the Assembly lies in the fact of the impression undoubtedly created among the people that the authorities may desire to curtail in the same manner the powers and privileges of the regular Parliament in two houses which is to follow the present experimental one in 1913, according to the Edict of November 4, 1910.

While having no confidence in the capacity of the present government to administer the country efficiently, yet I feel that it is better to have the power centralized in the present clumsy and effete organization than to have it placed in the hands of an ignorant, irresponsible and inexperienced assembly whose members have little or no knowledge of practical politics. Through representative institutions China must attain political reformation, but the representatives are not available as yet. The transition from the old to the new should be gradual, and any such radical change in governmental methods as that contemplated should come slowly. No such step as that involved in the adoption of a representative government should be taken until the people are prepared by education for the reform. Time is the important factor in the situation,- time in which to educate the people and to adapt administrative methods to changing conditions.

There is also enclosed an article from the National Review (Shanghai) of July 8, 1911, on this subject.

I have the honor to be, Sir,

Your obedient servant,

Chargé d'Affaires.

Enclosures:

Revised Regulations for the Tsu Cheng Yuan, sanctioned July 3, 1911.

Article, The National Review, July 8, 1911.

AMERICAN LEGATION.
PEKING.

No. 310. August 8, 1911.

Ack by card Sept 27, 1911.

The Honorable
The Secretary of State,
Washington.

Sir:

In transmitting Mr. Consul Baker's number 69 of July 22, 1911, regarding the alleged unfair advantages enjoyed by the Japanese in Manchuria, I have the honor to state that it is difficult to foretell the results of Japanese encroachment in South Manchuria, but I am strongly of the opinion that unless the Chinese officials assert more independence and unless they receive the moral and diplomatic support of the western powers, that region will ultimately be dominated by Japan.

The presence of foreign consuls at Antung would to my mind prove an effective step looking towards the preservation of China's sovereign rights in those regions. Japan's efforts to undermine the influence of China in Manchuria can be neutralized to a degree at least by the mere presence of other foreign representatives, to say nothing of definite action which they may take in line with their ordinary duties. I believe that the presence particularly of a British Consul at Antung would have a most salutary effect upon the political situation, and I trust that the Department may instruct me to so express myself to the British Minister here. As seen by the developments connected with the plague last winter, the Japanese are determined in their efforts to exert their influence and jurisdiction at Antung, and I cannot but feel that the presence there of representatives of the western nations could quietly but effectively check their questionable operations. In this connection I would also state that one of the Vice Presidents of the Wai Wu Pu in a recent conversation with me on this very subject expressed the opinion that more foreign representatives are needed at Antung, as they would render valuable service to China by way of offsetting Japanese influence. It is hoped that something in this direction may finally be done.

I have the honor to be, Sir,
Your obedient servant,

Chargé d'Affaires.

AMERICAN LEGATION,
PEKING.

No. 319. August 18, 1911.

Ack. by card Oct. 4. 1911

The Honorable
The Secretary of State,
Washington.

Sir:

Referring to Mr. Calhoun's despatch number 122, of November 18, 1910, regarding the institution of the "Shen P'an T'ing", or the new courts of justice, at Tientsin and other treaty ports, I have the honor to state that the Legation has received despatches from the American consulates at Amoy and Chefoo on the same subject. I have the honor to enclose herewith copies of the two despatches from Amoy (numbers 188 and 191, of July 17 and July 27, 1911, respectively), and to refer to the despatch from Chefoo (number 1066, of August 10, 1911) a copy of which has already been sent to the Department by Mr. Fowler.

The situation created by the establishment of these new courts was exhaustively treated of in Mr. Calhoun's despatch referred to above, and it is deemed sufficient in the present instance to state that the communications from the two consulates to which reference has been made depict similar difficulties to those encountered at Tientsin, while in both cases the question was referred to the Legation for instructions.

The subject of these courts has continued to come before the Diplomatic Body for consideration and I beg to enclose herewith copy in translation of an excerpt from the minutes of the diplomatic meeting of August 2, 1911, in which, as will be seen, the belief is expressed that the present step indicates an attempt on the part of the Chinese to abolish the rights of extraterritoriality now enjoyed by foreigners in pursuance of treaty provisions. The Department will observe that a committee is now engaged in drafting a note to the Chinese Government demanding a return in judicial matters to the course of procedure stipulated in the treaties.

I have the honor to be, Sir,
Your obedient servant,

E.T.W.

Chargé d'Affaires.

Enclosures:

1. Mr. Brissel ? to Mr. Heintzleman, number 188, July 17, 1911. ✓
2. Mr. Brissel ? to Mr. Heintzleman, number 191, July 27, 1911. ✓
3. Extract from minutes of the Diplomatic Meeting, August 2, 1911.

Shen P'an T'ing

Discussion on the subject of the newly established Courts of Justice, 70th session of the Diplomatic Body, August 2, 1911.

(Translation from the French.)

The Dean called attention to the fact that the question of the Shen P'an T'ing (Courts of Justice) had claimed the attention of the Representatives of the Powers on many occasions in the past and that on the 27th of last December M. B. M. de Kuczynski, then Dean of the Diplomatic Body, had made known to Prince Ch'ing the conditions on which the Chiefs of Mission were disposed to recognise the jurisdiction of the Chinese tribunals over their nationals, that is: that a foreign assessor should assist on a footing of perfect equality with the Chinese judge at all mixed cases and should have the right to interpellate, through the magistrates, the Chinese defendants, and to question plaintiffs of his own nationality directly, at the same hearing and in the hall where it should take place.

It was only on the 10th of last April that the Wai Wu Pu had responded to this note, refusing the demands of the Diplomatic Body.

On the other hand the Chinese Government appeared determined to extend the system of Shen P'an T'ing over the entire Empire, and the foreign consuls at Amoy, Foochow, Hangchow, Chungking, Yunnan, etc., were warned that henceforward all suits brought by a foreigner against a

Chinese would be judged by the new Chinese tribunals. Although the organisation of the Shen P'an T'ing was not everywhere identical the mixed justice which they administer takes no account of rights recognised by treaties to foreigners and the end o f these new tribunals is to do away with exterritoriality.

It is imperative under these conditions to make a decision as to principle and to determine the attitude which the Consuls ought to observe with regard to the Shen P'an T'ing. H.E. Sir John Jordan was of the personal opinion that since the Chinese refuse to foreigners indispensable guaranties for the security of goods and person it was wise to demand of the Chinese Government a return to the procedure provided by the treaties. The most precise stipulations with regard to this question were to be found in the Chinese- American Treaty of 1880, of which H.E. M. Calhoun had made a profound study from a juridical view-point.

If the Representatives of the Powers were of like opinion with him the note drawn up by the American Minister and communicated to all the Chiefs of Mission by the circular No. 73, of April 18, 1911, might serve as the basis of a communication to the Wai Wu Pu.

M. Shekine declared that the Russian Legation had already informed the Chinese Government that whatever might be the name given to the native courts, the Russian Government would be unable to recognize their jurisdiction over its nationals unless a Russian judge assisted at the trials on a footing of perfect equality with the Chinese judge. This question had been one of those within the purview of the Russian ultimatum of February 16, 1911, and the Chinese Government in its reply of February 20th had expressly recognised the xx right of exterritoriality appertaining to Russian subjects and had agreed to the continuation of the procedure provided for in the treaty of 1881. The translation of this reply had been published on February 22nd by the Peking Daily News, as follows:

"The civil and criminal procedures regarding Russian subjects in Chinese territory are expressly provided in art. XI. of the treaty of the seventh year of Kuanghsu (1881) which has always been enforced in accordance with the said treaty and the Wai Wu Pu does not dissent therefrom."

In accordance with this recognition by the Chinese Government of the right of exterritoriality of Russian subjects the Russian Legation had addressed to all its Consuls a circular directing them to conform strictly to this course of procedure. Under these circumstances the Russian Consul at Tientsin had not been able to adhere to the statement made by the Dean of the Consular Corps in that city at the time of its last sitting and although the account of the transactions of this meeting, communicated to the representatives of the Powers in the Circular No. 89 (? 95) of the 30th of last June, mentions that all the Consuls with the exception of the French Consul, approved of the note annexed to the letter of M. Fulford dated July 13, 1911, M. Shekine continued to make the most express reservations in all that pertained to the Russian

Consul. The Charge d'Affaires for France stated that the Chinese Government was engaged in an effort to recover, little by little, the complete exercise of its powers of sovereignty in the judicial field. The confession had been made somewhat naively by Liang Tun-yen, who, in 1907, being then Taotai in Tientsin, had written to the French Consul: "The new courts of justice have been created for the convenience of the public and to recover the power of jurisdiction over foreigners." It did not seem, added M.F.Georges Picot, that the representatives of the Powers could view with consent an attempt at emancipation which up to the present carried with it little guaranty. French Consuls, likewise, had been directed to refrain from recognition of the Shen P'an T'ing and to advise their clientele to include in contracts with Chinese a clause providing for arbitrament approaching as nearly as possible the procedure established by Article 35 of the Franco-Chinese treaty of 1858. The time was awaited when it might be possible to revert to the identical course of procedure.

The Japanese Minister called attention to the fact that it was not possible to contest the right of the Chinese Government to create a judicial organization for its own convenience, but that it was important to determine under what conditions their jurisdiction might be extended to foreigners. H.E.M. Ijuin added that certain of the regulations of the Shen P'an T'ing, ~~xxxx~~ those of Hangchow, for example, recognised a right enjoyed by foreigners of acknowledging the jurisdiction of this tribunal or of demanding justice from the taotai.

The Dean called attention to the fact that the note of December 27th to Prince Ch'ing had had for its object the definition of these conditions, but that the Chinese Government, in its reply of April 10th, had refused all the guaranties demanded by the Powers. As for the liberty accorded to foreigners of claiming the jurisdiction of the taotai it was one of form merely for when the Consul addressed this official the latter would not fail to reply that since the creation of the Shen P'an T'ing he no longer had judicial powers.

The Belgian Minister was of the opinion that, taking the reply of the Chinese Government to the Russian ultimatum as a basis and invoking the most favored nation clause, the Diplomatic Body would be able to address a note to the Wai Wu Pu with the object of claiming once again trecognition of the same rights.

M. Shekine remarked that the procedure demanded by the Government at St. Petersburg was no other than that expressly provided for by Article XI. of the treaty of 1881.

The Italian Minister thought that it was not necessary to take as a basis only the exchange of notes between Russia and China in February but that it might be possible to appeal to the clauses contained in many of the treaties of the Powers with China and especially to those of the treaty between China and America and between China and Russia.

This suggestion was approved by the meeting.

The Dean suggested that a committee be charged with the duty of drafting a letter to the Wai Wu Pu and asked H.E.M. Ijuin, H.E.M. Cartier de Marchienne, M.F. Georges-Picot, and M. Shekine to undertake the responsibility of drafting a note, on the basis set forth above, demanding of the Chinese Government a return in judicial matters to the course of procedure stipulated in the treaties.

The Japanese Minister, the Belgian Minister, the Charge d'Affaires for France and M. Shekine agreed to prepare the memorandum.

AMERICAN LEGATION,
PEKING.

No. 320. August 21, 1911.

The Honorable
The Secretary of State,
Washington.

Sir:

I have the honor to forward herewith despatch number 71 of the 10th instant from the American Consulate at Antung, addressed to the Department, regarding certain land at that place offered by the Chinese as an international settlement.

The port of Antung was opened to international residence and trade by the treaty of 1903 between the United States and China, and by no other treaty. Article XII of that treaty provides that the selection of a suitable locality to be set apart for international use and occupation, and the regulations for the government of such locality "shall be agreed upon by the Governments of the United States and China after consultation together." This provision doubtless accounts for the action of the local Taotai and Magistrate in approaching the American Consul at Antung and asking an expression of his views upon the question of locating the international

international settlement.

The events of the Russo-Japanese war, however, have greatly altered the conditions existing at Antung when the treaty was made. The interests of Japan have become overwhelmingly preponderant - our own have been insignificant from the beginning and are so still.

The United States is the only foreign power except Japan represented there by a resident consul. Aside from the staff of the American consulate and certain officers of the Chinese Customs, there do not appear to be any Americans and not more than a half-dozen Europeans residing at the port.

The population is almost wholly Chinese and Japanese, and the desire of the Japanese, therefore, to have the foreign settlement a Japanese settlement is quite natural. There does not appear to be any need of an international settlement.

The unfair advantages obtained by the Japanese by wrongful appropriation of lands and violation of Customs regulations have contributed perhaps to the restriction of American trade, but the chief injury done is to the Chinese and it does not seem to the Legation to be necessary for American consular officers to champion the cause of China where little if anything is to be gained by us save the ill will of the Japanese.

The Legation hopes that the Department will see fit to instruct the consul at Antung to exercise the treaty right to a voice in the determination of the site and regulations for an international settlement in such a way as to secure as favorable a location as possible and regulations that will be fair and just to all interests concerned, but to abstain from any expression of opinion upon the question of title to the lands in dispute and in general to endeavor to lessen the differences between Chinese and Japanese and promote a friendly adjustment of all questions involved.

I have the honor to be, Sir,

Your obedient servant,

Chargé d'Affaires.

Enclosure:

Number 71, August 10, 1911, from Consul at Antung to Department.

AMERICAN LEGATION,
No. 321. PEKING. August 24, 1911.

Ack. by Card Oct 2, 1911

The Honorable
The Secretary of State,
Washington.

Sir:

I have the honor to enclose herewith copy of a telegram addressed to Dr. Gatrell, temporarily in charge of the office of the American Group at Peking, by Mr. W. D. Straight with regard to a joint Anglo-Russian-American enterprise in Chinese Turkestan. A copy of this telegram was left at the Legation with the request that inquiry be made of the Chinese Government as to its attitude towards such an enterprise, and whether or not Imperial sanction would be necessary to the validity of such concession. On the day of my arrival in Peking Mr. Alfred Sze, of the Chinese Foreign Office, called at the Legation in order to make oral response to Mr. Heintzleman's request for information on the subject and stated that in general the Chinese Government would have no objection to such a joint undertaking supported by American, British and Russian capital, but that in the present instance it had serious doubts as to the genuineness of the alleged concession, since Mongolian Princes are notoriously careless with their seals which have frequently been used for illegal purposes by their subordinates, and that in this case and in all such cases it is absolutely essential that the Mongolian Princes concerned should have first obtained Imperial sanction before making the concession.

I have the honor to be, Sir,
Your obedient servant,

Chargé d'Affaires.

Enclosure:

Telegram from W. D. Straight to Dr. Gatrell,
August 1, 1911.

AMERICAN LEGATION,
PEKING.

No. 322.

August 25, 1911.

The Honorable
The Secretary of State,
Washington.

Sir:

I have the honor to state that Mr. Esson M. Gale, Interpreter, has signified his readiness to take the first supplementary examination provided for in Rule 7 of the "Regulations Governing Interpreters and Student Interpreters in China, Japan and Turkey". The Legation will direct Mr. Gale to present himself in Peking for examination on or about October 1, 1911. In this case I assume that Mr. Gale will be authorized to draw for mileage from Shanghai to Peking and return. Should the contrary be the case I have the honor to request that telegraphic instructions be sent before the date mentioned.

I have the honor to be, Sir,
Your obedient servant,

Charge d'Affaires.

AMERICAN LEGATION,
PEKING.

No. 323.

August 25, 1911.

Ack by card Oct. 14, 1911

The Honorable
The Secretary of State,
Washington.

Sir:

I have the honor to enclose herewith copy of a report received by me from the Chinese Secretary of the Legation relative to the progress in Chinese studies of Mr. H. O. Henry, Student Interpreter.

In transmitting this report I have the honor to confirm from my own observation the report made by Dr. Tenney as to Mr. Henry's commendable application and progress since his return from his period of invalidism in America.

I have the honor to be, Sir,
Your obedient servant,

Charge d'Affaires.

Enclosure:

Copy of Chinese Secretary's report on H.O.Henry, Student Interpreter.

August 20, 1911.

Hon. E. T. Williams,

Charge d'affaires.

Dear Sir;

I have the honer to report that Mr. H. O. Henry has completed his first year's course of study as a student interpreter and has passed his examination with credit, having obtained a mark of 90

Mr. Henry first arrived in China August 1, 1908. He completed the prescribed the work of the first, second, and third quarters of the first year, and then lost his health. He was invalided home in August, 1809 and returned to Peking in January, 1911. His/long absence made it necessary for him to review carefully all the work of his first year before proceeding with advanced work. This review he has completed to my satisfaction and he he has a solid foundation for his second year studies. He should be able to complete his two years' course of study as a Student Interpreter early in the summer of next year, 1912.

Very respectfully yours,

Charles D. Tenney,

Chinese Secretary of Legation.

TELEGRAM SENT AUGUST 28, 1911.

Secretary of State,
Washington.

[illegible] August 28, 1911, 4 p.m.

Chinese cruiser "Hai Chi" proposes to visit the United States and will arrive at New York on September 10th from Europe.

Williams.

TELEGRAM SENT, AUGUST 29, 1911.

Secretary of State,
Washington.

MERRY August 29, 1911, 9 p.m.

According to advices of the French bank here the terms of Shantung gold loan being negotiated with the Germans are two hundred thousand pounds sterling at par repayable in ten years interest six per cent imperial guarantee

Although the policy of provincial loans is questionable political considerations seem to make American participation highly desirable whether or not all other groups participate. Internationalisation of Shantung as desirable as that of Manchuria. British and French ministers are telegraphing to urge participation of respective groups French group somewhat reluctant British bank here non-committal.

WILLIAMS.

TELEGRAM SENT, August 30, 1911.

Secretary of State,
Washington.

MURGY , August 30th, 5 p.m.

The Legation requests to be informed regarding changes now taking place in the consular service in China.

WILLIAMS.

TELEGRAM SENT AUGUST 31, 1911.

Secretary of State,
Washington.

MUBGY August 31, 5 p. m.

Your telegram of August 30, 2 p. m. On August 19th the American Group was asked by its Peking representative whether it desired to accept participation offered by the Deutsch-Asiatische Bank at Shanghai in the Shantung loan which the latter was negotiating, and on August 20th the American Group replied as follows:

"If Imperial loan, satisfactory terms and security offered under quadruple agreement and accepted by other Groups would doubtless accept share general principle. Such small loans not attractive."

According to inter-bank agreement, Article Eight, first sentence, any bank may decline participation.

WILLIAMS.

TELEGRAM SENT AUGUST 31, 1911.

Secretary of State,
Washington.

MUBDY August 31, 3 p. m.

Referring to the Legation's telegram of August 5, 7 p. m., Bash left here yesterday for New York with written offer from Sheng to Hawley-Macy Syndicate of loan of five million gold dollars to be increased if Syndicate desires to ten million gold dollars. Loan to be issued at 95 to run twenty-five years with interest at five per cent and with rebate of three quarters of one per cent for flotation. The loan to be for railway construction in Honan and Shansi. Securities to be surplus earnings of Peking-Mukden Railways and revenues of the two provinces concerned.

Bash has yet to persuade his principals to accept.

WILLIAMS.

AMERICAN LEGATION,
PEKING.

August 31, 1911.

The Honorable
The Secretary of State,
Washington.

Sir:

I have the honor to transmit by today's pouch, for the Tariff Board, copy of RETURNS OF TRADE AND TRADE REPORTS for 1910, Part II, Volume III.- Central Ports (Shanghai to Wenchow), published by the Chinese Imperial Maritime Customs.

I have the honor to be, Sir,
Your obedient servant,

Chargé d'Affaires.

Accompaniment:
As stated.

AMERICAN LEGATION,
PEKING.

August 31, 1911.

The Honorable
The Secretary of State,
Washington.

Sir:

I have the honor to transmit by today's pouch, for the Bureau of Trade Relations, Department of State, two copies of RETURNS OF TRADE AND TRADE REPORTS for 1910, Part II, Volume III.- Central Ports (Shanghai to Wenchow), published by the Chinese Imperial Maritime Customs.

I have the honor to be, Sir,
Your obedient servant,

Chargé d'Affaires.

Accompaniment:
As stated.

AMERICAN LEGATION,
PEKING.

No. 324. August 25, 1911.

Ack. by card Oct. 2, 1911

The Honorable
The Secretary of State,
Washington.

Sir:

I have the honor to transmit herewith a despatch, No. 170, of August 11, 1911, from the American Consul at Harbin relating to the municipal administration at that city and to suggestions made by the Russian Consul General regarding the discussion of certain concessions to foreigners. In this connection I have the honor to express my satisfaction at the prospect of a settlement of this vexed question along the lines indicated and to venture the hope that some such arrangement as is suggested may find approval with the Department.

I have the honor to be, Sir,
Your obedient servant,

Charge d'Affaires.

Enclosure:

Despatch No. 170, of August 11, 1911, from Mr. Greene to the Secretary of State.

AMERICAN LEGATION,
PEKING.

No. 335. September 14, 1911.

Ack. by Card Oct 27 1911

The Honorable
The Secretary of State,
Washington.

Sir:

Referring to my telegrams of September 3, 3 p. m., September 7, 5 p. m., September 8, 12 p. m., and September 10, 11 p. m., I have the honor to report more fully concerning the disturbances in the Province of Szechuen and the opposition being made by the people of that province to the policy of the Imperial Government with respect to the nationalization of railway trunk lines, and more particularly to the contract entered into with the quadripartite group for the construction of the Ichang-Kueichow section of the Hankow-Szechuen line.

The Imperial Government having decided to buy out the various private companies which had been attempting to construct various portions of the Canton-Hankow and Hankow-Szechuen railway trunk lines, on June 17 last issued an Edict, a copy of which is enclosed (No. 1) approving the joint memorial of the Ministry of Finance and other departments proposing terms of settlement with the share-holders of the private companies. As will be seen from the report of Consul General Bergholz transmitted in his number 835 of August 31, 1911, the Kwangtung company is very well satisfied with the arrangement whereby the share-holders receive 60% of the face value of their shares in cash and the balance in bonds without interest to be repaid from the profits of the line in ten annual instalments.

The Hunan Company made some counter proposals which have been accepted by the Government, as indicated in an Edict of September 9, 1911, a copy of which is also enclosed (No. 2). By the terms of this settlement the shares paid for out of house taxes and rent taxes are to be treated as private shares, while those obtained by the surtax on salt and the duty on rice are to be regarded as local public shares and redeemed by the issue of government railway scrip, the interest and bonuses accruing on the local public shares to be devoted to local public works and relief of the poor.

The Hupei Company appears to be satisfied with the exchange of government railway scrip for its shares. The Szechuen Company is the only one that is making any serious opposition to the proposed settlement.

Out of the amount subscribed by the people of that Province, which, according to the statement of the Imperial Government, is eleven million taels, or as stated by a leader of the Szechuen disturbances fifteen million Chinese dollars in round numbers, the Government proposes to redeem only some four million and odd thousands of taels reported as expended on the Ichang section, leaving the balance of about seven million taels to be appropriated by the shareholders as they may desire, either in the purchase of additional railway shares or in the promotion of local industries.

The President of the Szechuen Company came to Peking some weeks ago and signed an agreement with the Minister of Communications, His Excellency Sheng Hsüan-huai, which is believed to be in substantial accord with the original proposals of the Government, but the shareholders are dissatisfied with the arrangement and have repudiated the action of the President.

The reason is not far to seek. Of the eleven million taels subscribed it appears that a very large portion was lost by speculation in rubber shares, and the four million taels' worth of government scrip which is to be issued will probably be all that the share-holders will receive in return for the eleven millions subscribed. They thus stand to lose about 63.6% of their capital. That this loss is due to the mismanagement of the company's officers does not meet the objections of the share-holders who claim that the man responsible, the President of the Company, was not elected by themselves, but appointed by the Imperial Government which should therefore make good the loss.

This is not the only objection, moreover, made to the nationalization of the line. Very serious objection is made to the borrowing of foreign capital, the employment of foreign engineers and the exercise by foreigners of any control of expenditures and accounts.

This they declare amounts to a declaration by the Government that it trusts foreigners and distrusts Chinese.

The foreigner is represented as a hungry tiger. One speaker at a public meeting in Chengtu used the following illustration:

"For instance here is a piece of meat. In order to keep it from the gnawing teeth of mice I put it under the care of a tiger. Is this the way to preserve the meat?"

Comparing the loss of funds by the manager with the borrowing of foreign money by His Excellency Sheng, the speaker said: "Which causes the more injury; the bankruptcy by our mismanagement or the loss of national power (by Sheng's action)?"

A report of this meeting translated from the Chung Hsi Pao of September 7, 1911, has been sent to the Legation by Vice Consul General Johnson of Hankow and a copy is enclosed herein (No. 3).

When the Imperial Government discovered that the Szechuen people were disposed to reject the proposed settlement, a telegram was prepared which stated that the arrangement had been adopted upon the recommendation of the Minister of Communications. This is believed to have been done deliberately by certain members of the Cabinet with the purpose of discrediting His Excellency Sheng. It was an invitation to impeach him, and his impeachment by the Viceroy of Szechuen followed at once.

The Viceroy of Szechuen, Chao Erh-feng, a brother of the Viceroy of Manchuria, has a good record as a capable administrator and a man of courage. His vigorous action in suppression of the disturbances on the Tibetan border won for him great respect and confidence.

In the present trouble he has been placed in a very difficult situation. He was surrounded by influential representatives of the Szechuen gentry pleading the cause of the old company and his troops were almost wholly recruited from the people of Szechuen and were supposed to sympathise with their fellow provincials.

The telegram of the central government seemed to be be an invitation to an attack upon the Ministry of Communications, which would prepare the way for a change of front on the part of the Imperial Government.

But Sheng is a man of great courage and he has been ably supported by Duke Tse and other members of the Imperial family.

These men pointed out to the Regent the importance of maintaining the government's standing in the eyes of the world by adhering steadfastly to its announced policy and the danger that would surely arise from any surrender to the malcontents, whose example would immediately be followed in other provinces.

A number of meetings have been held in Peking by the Szechuen residents in their guild hall, and strong resolutions were adopted denouncing Sheng and demanding his removal. These resolutions were presented to the Regent on the 9th instant. On Sunday night a delegation of the Szechuen people visited Prince Ching's palace and demanded an interview which was denied them. They wailed and wept and made such a disturbance that a large crowd gathered about the place, but, although they kept up their demonstration until two o'clock Monday morning, they did not gain an audience.

The next day one of the leaders of the movement was arrested.

In the meantime, the Government having determined upon a strong policy, the Viceroy of Szechuen proceeded to arrest a number of the ring-leaders of the disturbances in Chengtu. This action precipitated an attack upon the Viceroy's yamen on September 7th which resulted in the repulse of the rioters with some losses upon both sides.

The telegraph lines were immediately broken and we were without definite news until the 12th instant when word was received from Chungking that a group of British residents of Chengtu - seventeen in all - had arrived at Suifu on the Yangtze. A later telegram dated September 13th obtained by the Inspector General of Customs from the Commissioner of Customs at Chungking reported that a telegram conveyed by courier from Chengtu to Tzuchou and dated the 9th of September had been received from the British Consul General at Chengtu, who reported that the Viceroy detained five boats which were about to depart with foreign residents. He deemed their departure unwise. This was probably because of the disturbed condition of the country outside of Chengtu.

Another telegram of the 12th of September from the Taotai of Chungking states that the Prefect of Tzuchou has reported that his messengers have been unable to communicate with the people inside the walls of Chengtu, that a mob is attacking the city from the outside and that the Viceroy's soldiers are firing upon the rioters. This is reassuring in that it indicates that the Viceroy has the city under control and that the soldiers or some of them at least are obeying his orders. A large arsenal outside the south gate of the city may possibly have supplied the rioters with arms and ammunition.

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er 5.

The native press, so far as it has come under my observation, appears to sympathize with the Szechuen party and many of the papers are carrying on a very bitter campaign against His Excellency Sheng.

A number of prominent officials, too, while not actively opposing the Minister of Communications, neglect no opportunity to speak slightingly of his policy.

Among the leaders of the Szechuen party, it is reported, is the President of the Provincial Assembly. He is believed to have been one of those arrested in Chengtu just before the attack upon the Viceroy's yamen.

This morning I am informed that the Vice President of the Provincial Assembly has been arrested at Wuchang with documents in his possession which show that he has come to Hupei with the purpose of stirring up a revolution there, and it is declared in an Imperial Edict issued on the 12th instant, a copy of which is enclosed (No. 4) that revolutionists are taking advantage of the situation in Chengtu.

The Director of the Hukuang Railways, Tuan-fang, after sending in an impeachment of the Szechuen Viceroy has been ordered to proceed to that province and make investigation and adjust the difficulties. This he has been most unwilling to do, but after repeated orders has started on his journey, though apparently disposed to make his progress as slow as possible.

The conduct of His Excellency Sheng under the continued attacks being made upon him has won the admiration of most foreign residents. He proceeds calmly with the discharge of his duties and in reply to an expression of sympathy from Dr. Tenney he said: "With regard to such attacks I am both blind and deaf."

The Legation is awaiting with anxiety further and more definite news from Chengtu, where a large number of American citizens are shut up with the besieged.

The outlook is uncertain, but if Minister Sheng and Duke Tse maintain their influence, the disorders will soon be suppressed. The edict of the 12th instant referred to above lacks something in vigor, but indicates a determination to adhere to the announced policy of railway nationalization.

I have the honor to be, Sir,
Your obedient servant,

Chargé d'Affaires.

Enclosures:

1. Imperial Edict, June 17, 1911.
2. Imperial Edict, September 9, 1911.
3. Clipping from Chung Hsi Pao, September 7, 1911.
4. Imperial Edict, September 12, 1911.
5. Clipping, Peking Daily News, September 13, 1911.

[illegible] NEWS, September [illegible]

[illegible] 2

September 9.

[illegible] Metropolitan Officials, [illegible] Assistant Director of [illegible] Wang Shih-chi, etc. [illegible] a memorial explaining [illegible] affairs connected with the [illegible] railway shares. In the memorial it is stated that it was solely on account of an insufficiency of funds on the part of the various provinces for building railways that the Government raised a large sum of money with a view to hastening their completion. That the Government has not the slightest intention of excluding private shares is known to the [illegible] of the world from the fact that merchants are allowed to participate in the subscription for shares. As the amount of shares taken up by the Hunan merchants does not exceed [illegible] million dollars the memorial suggests that the shares from land taxes and rent taxes be treated as private shares; the amount derived from the increased price of salt for railway expenses, and the duties on rice for famine relief be treated as a foundation for local public [illegible]; that scrips for bonus and interest be granted to these subscriptions which are in actual cash, and that merchants be allowed to take up additional shares in the future so that they may not be disappointed. We find that these suggestions fairly comply with the arrangements set forth in Our decree of the 21st day of the [illegible] moon ordering that the share scrips of railway companies in the various provinces be examined and collected and that in their stead Government railway bonds entitling holders to dividends according to the number of their shares be specially issued by the Board concerned. Let it be understood that the object of the Throne in raising funds and resuming the control of railways is simply to haste their completion rather than to exclude the people from taking up shares, Now the gentry and merchants of Hunan in addition to complying with the various arrangements have exhibited their patriotic feeling. Their request should be granted. The Board concerned is hereby commanded to examine all the share-scrips of the Railway Company of Hunan and issue national railway bonds in exchange. As the revenue from the increased price of salt and the duty on rice for famine relief has been devoted for railway expenses, [illegible] also [illegible] as local [illegible] being entitled to bonus and [illegible] which shall be used for the [illegible] famine of the province and for the promotion of local public and industrial enterprises. Honest and straightforward members of the gentry should be ordered to co-operate in the management of the [illegible] which are to be superintended by officials. After the issuance of this decree the said company should at once hand over its shares in exchange for new bonds. The [illegible] is ordered to act in conjunction with the Director-General of Railways in immediately dispatching officers to take over the control of the railway, commence work at once and complete it within the prescribed time so as to lay stress on facilities of communication.

From Chung Hsi Pao, September 7, 1911.

Special Meeting of Shareholders of Szechuan Railway.

On the 5th of August, the shareholders held a special meeting in the Szechuan Railway Company's building.

There were 237 representatives and 364 shareholders present as well as many who came after all those to whom tickets had been issued had arrived. The Viceroy, and the Commissioners of Finance, Law, Education, and Salt, the Police and Industrial Taotais, the head prefect and magistrate were also present. According to the programme the Manager, Mr. Peng, opened the meeting and said "Gentlemen, yesterday owing to the rain, the meeting had to be postponed." Then he made known the purpose of the special meeting. When he concluded the Viceroy spoke as follows: "The chief motive for calling this meeting is order, still we have a topic to discuss. It was proposed to construct this railway several years ago. The expenses are great and large sums of money have been lost. Moreover, nothing has been accomplished. According to my opinion mismanagement is not the sole cause of this failure. Lack of funds has been greatly responsible therefor. Now the internal conditions of the Railway are troublesome and difficult to deal with and at the same time foreigners have longed for it for some time. The tiger-like neighbors are striving for it. The Government, sensible of the compelling force of international intercourse and fearing lest our powers and prerogatives shall fall into the hands of foreigners, is now eager to construct railways. As between state- ownership and ownership by the people there is no essential difference. But we must beware of foreign ownership, as Mr. Peng has said. Some time ago when I was beyond the frontier reports came to my ears of rioting here. At that time though I heard these reports I was sure they could not be true. Fortunately today I have seen your orderliness and I am quite satisfied with your actions. Of course it would be desirable for your railways to be built by yourselves, but I am afraid of the trouble and difficulty of getting the capital. Now that this great meeting has been convened the successive steps to be taken must be thoroughly discussed. I am sure that you will do this with zeal. I am a shareholder with you all and though I can not attend all your meetings, I shall be very glad to express my opinion to you at any time."

Next Messrs. Yen and Lo, shareholders, spoke in succession. At last Mr. Chang Nan appeared on the platform and made the following remarks:

"You have heard the Viceroy's speech and know that as we are unable to colledt the necessary money the Government has borrowed foreign money to construct our railways for us. If we can get the money ready then our railways can be maintained and the breaking of the agreement need not be considered. We shareholders understood the Viceroy's speech distinctly and feel grateful to His Excellency. But still I have some doubts to which I must give expression. It is said that if the Szechuanese can construct the railways, then the railways can be maintained and it is needless to mention the violation of the agreement. May I ask what composes the Szechuan Railway ? The original railway the natives of Szechuan proposed to build commenced at Ichang and when the Imperial Edict nationalized the railways, only Hupei was mentioned. Why did Sheng Hsuan-huai take our Kueichoufu which covers more than a hundred li of land and give it as security to the four nations ? If we are to build only the Chengtu-Kueichou line, can our railway be called complete ? According to our former plan we were to build the Ichang-Kueichou line, but since the Ichang-Kueichou line has been sold to the four nations by Sheng Hsuan-huai the agreement has been broken. Still we can protect the railway. (Applause) It is also said that it was owing to the difficulty in raising capital that the foreign o loan was negotiated to construct the railways. The nationalisation of railways furnishes the raison d'etre of the foreign loan and since foreign money has been borrowed it has been agreed that foreigners shall engage the workmen, check the expenditures and audit the accounts. This should cause the Government to think deeply and should occasion it unspeakable misery and anxiety. If it seems right that the Government, pitying the commonalty, should borrow money and stop the rent shares, why does not the Government in order to lessen the misery of the people, abolish all the old and new taxes and likin charges, such as the meat, wine, oil, and sugar taxes, etc., which are on the contrary increasing in amount ? (Great applause and shouts that shook the roof.) Are the rent shares the only tax which can be done away with to lessen the miseries and burdens of the people ? As to the power to employ workmen and to spend money and to check accounts, I once I had a talk with a certain high official, who said: "Today in constructing railways, foreign money must be borrowed, for our officials and gentry usually squeeze and waste most of the public funds on nothing useful to the public. When foreign money has been borrowed, the authority to employ workmen and to check expenditures and accounts is given in to the hands of foreigners so that squeezing and squandering may be obviated." Who ever thought that his words would find realization ? It is true that our officials and gentry usually squeeze and squander public funds, but why does not the Government, which exercises the power to employ whomsoever it likes, choose good men for the positions ? (Great applause.) We perforce arrive at the conclusion "Trust foreigners and distrust Chinese". (Great applause.) For instance, here is a piece of meat, in order to keep it from the gnawing teeth of the mice I put it under the care of a tiger. Is this quite the way to preserve the meat ? (Great applause.) And the statement that it is difficult for the Szechuanese to get money is quite contrary to the facts. To collect money is a hard problem for the people of Hupei, for in several years they have been able to collect only one million dollars. We have now fifteen million. Does this sum show that it is a great ~~difficulty~~xx difficulty f for us to collect money ? (Applause.) Then there is another misstatement. The people of Szechuan are able to collect money, but can they assure us that another bankruptcy will not occur? This is a question arising from lack of experience and shows no powers of reasoning. Why does the Government intend to nationalize our railways? Because the capital for constructing railways was wasted. But it is certain that no bankruptcy could occur if the right man were the manager. And if the manager were elected by us shareholders, the responsibility for the bankruptcy would rest upon us shareholders. This manager was appointed by Imperial Edict, how can we, natives of Szechuan, be blamed ?(Great applause.) Now let us compare the damage done to the nation by Sheng Hsuan-huai's agreement on the one hand and the loss of funds on the other. Which causes more damage ? If the bankruptcy is our crime, whose crime is the loss of national power ? (Great applause.) In conclusion, we shareholders must hold it in mind that the railways must be protected and the agreement broken. If there should occur the great misfortune of another bankruptcy we shareholders of the Szechuan railways will rather bow to the misery and bitterness of this catastrophe than to the slavery which the Board of Communications and Sheng Hsuan-huai would bring to us". (Great shouting and applause.)

When Mr. Chang finished his speech weeping and shouting broke the silence. The grief, excitement, hatred and anger manifested were indescribable. Mr. Lo Tsu Ching having spoken, election by ballot took place. Mr. Yen Kai was chosen President, and Mr. Chang Nan Vice President. When they had assumed office and the rules for conducting business were settled, the meeting adjourned.

AMERICAN LEGATION,
PEKING.

Peking
October 26, 1911.

No. 362.

The Honorable
The Secretary of State,
Washington.

Sir:

In continuation of my number 349 of October 11, 1911, I have the honor to report that the revolution in the Yangtse Valley is slowly spreading and now affects five provinces. Telegraphic communication with the disturbed districts has been frequently interrupted, and accurate information has at times been difficult to obtain. It is believed, however, that there are no statements in this report which have not been carefully verified. The wildest rumors have been afloat and unfortunately many of them have been telegraphed to the western world.

The Department's telegraphic instruction of

September 7, 5 p. m., directing Mr. Pontius to return to Chungking reached the Legation after he had started from Hankow for Peking, but a telegram was sent which caught him en route. He at once returned to Hankow and left that city on the night of September 9th. After reporting to the Legation from Ichang and Wanhsien he arrived in Chungking on October first. The measures taken by him since his arrival there for the protection of Americans have been reported by him to the Department and have the approval of the Legation.

Mr. Baker, in compliance with the instructions of the Department, left Antung on September 11, 1911, and started for Chungking via Peking and Shanghai. A telegram from the American Consul General at Hankow informed the Legation that he left that port on the night of October 10th. On October 21st the Legation received a telegram from him dated October 19th stating that Ichang was in the hands of the republicans, and that he was awaiting funds from Hankow. He asked for instructions. The Legation replied immediately suggesting to him that possibly it would be best to return down the river. On October 21st I telegraphed the senior naval officer at Shanghai asking whether or not an American naval vessel could be spared to go up to Ichang and bring Mr. and Mrs. Baker away. No replies were received to these messages and it is feared that they mis-

miscarried. On the 24th of October a telegram was received from Mr. Greene, dated Hankow the 20th of October, stating that Mrs. Baker was ill and that Mr. Baker had asked for instructions through him. Upon receipt of this the Legation attempted again to reach Mr. Baker by telegraph, but the message was returned from the office with the word that the lines were interrupted . Under the circumstances I was compelled to send the message to Shanghai to be forwarded by the speediest method possible to Ichang, and at the same time reply was sent to Mr. Greene by the same route. Inasmuch as the time allowed Mr. Baker for transit from Antung to Chungking will soon expire, I suggest that he be detailed to assist Mr. Greene at Hankow, where owing to the multitude of affairs requiring attention he can be of considerable service.

The latest mail advices from Chungking are Mr. Pontius' Nos. 94, 95, 96, 97, 99 and 100, of October 2nd, 3rd, 4th, 5th and 6th, respectively, copies of which have already gone to the Department. These despatches reported that on September 25th the rebels held most of the province to the west and south of the capital, Chengtu. This means that not less than a fourth of the province was in rebellion at that time. Later advices by telegraph indicate that other districts have become involved. Wanhsien, near the eastern border of the province, was re-

reported on October 24th to have joined the revolution. If true, this will leave Chungking isolated so far as water communication is concerned.

The first indication of revolutionary activity in the vicinity of Hankow was given about September 13th last, when, as reported in my No. 335 of September 14th, the Vice President of the Szechuen Provincial Assembly was arrested there and confined in the Prefect's yamen. Revolutionary documents were said to have been found in his possession. Following upon this came unconfirmed reports of the work of revolutionary agents at Wuchang, the viceregal capital, situated on the opposite side of the Yangtse from Hankow. Other agents were reported at the same time as active at Canton and elsewhere.

The Viceroy at Wuchang through his police on October 9th discovered revolutionary headquarters in Hankow and seized a lot of documents, bombs, et cetera. A number of arrests followed and on October 10th three of the principals were executed. That night the troops at Wuchang revolted, seized the treasury and the mint with over a million taels in silver and burned the yamen of the Viceroy who had already taken refuge on a gunboat in the river.

Upon receipt on October 11th of telegrams from the Consul General at Hankow reporting the mutiny of the troops at Wuchang, the Legation at once notified the senior naval officer at Shanghai and the fol-low-following day the HELENA arrived at Hankow where the VILLALOBOS was already stationed. A few days later they were joined by the EL CANO.

Details of the uprising at Wuchang have been supplied the Legation by Consul General Greene in his despatches of October 12th and 13th, copies of which are enclosed.

The Legation desires to call attention to the prompt and efficient action of the Consulate General in rescuing American residents of Wuchang. Both Mr. Greene and the Vice Consul General, Mr. Johnson, deserve to be highly commended for the courage shown and for the wise and tactful manner in which the rescue was effected. Special mention should be made also of the assistance given by Commander C. H. Hepper of the U. S. S. HELENA.

On the same side of the Yangtse as Hankow, but separated from it by the Han River, is the district city of Hanyang, the location of one of the best equipped arsenals in China and of the largest steel works in the empire, in which His Excellency Sheng Kung-Pao is financially interested. This city with the arsenal including over a hundred mountain guns w was captured by the revolutionists on the 12th of October and on the following day the native city of Hankow was taken. On the same day, October 13th, the consuls at Hankow received a communication from the rebel commander which was at once communicated to the

Department.

partment. This communication assured the consuls that foreigners and their property would be protected.

On the same date Mr. Pontius sent a telegram from Chungking which was not received until the 15th reporting the situation in Szechuen, stating that His Excellency Tuan-fang had arrived that day at Chungking, and that the situation about Yachow was serious. This is the latest communication which the legation has received from Mr. Pontius. Reports from official sources on October 25th are that matters in Szechuen have taken a turn for the worse.

The arrest and execution of revolutionary leaders in Hankow on October 10th was followed on October 11th by the issue of a laudatory edict praising the Viceroy, Jui-cheng, for the efficient manner in which he had crushed the conspiracy. A copy of the edict is enclosed. The next day the loss of Wuchang was made known and a second edict appeared cashiering the Viceroy, but allowing him to remain temporarily in charge that he might redeem himself by recapturing his capital. A copy of this edict is also enclosed.

On October 14th the official gazette announced the appointment of Yuan Shih-kai to the viceroyship at Wuchang and of Tsen Ch'un-hsüan to that of Szechuen. Neither of these distinguished men have as yet taken up their appointments. His Excellency

Tsen

[illegible] pleads a return of his old illness. He was in Wuchang at the time of the rising and escaped with difficulty to Shanghai where he seems disposed to remain. His Excellency Yuan also pleads illness. He agreed, however, when first approached, to accept the post provided he were allowed to organise a division of troops himself to consist of 10,000 men, and provided three million taels should be granted for expenses. These having been promised him, he has still delayed his departure and two days ago (Oct24) replied to a telegram urging his immediate departure for the front, that he could not start for a week in any case, and would not start even then unless provided with a million taels for military expenses. One of the principal objections which those near to him declare him to have to the appointment is that, while giving him the post of responsibility, the command of the imperial army operating towards Hankow remains with Yin-chang, a Manchu, who does not possess the confidence of his men. It is now understood that when Yuan comes out of his retirement, he will be given supreme command of the army, and that Yin-chang will be recalled. That Yuan-shih-kai will in his own time come to the assistance of the Manchu dynasty is probable; he is now gathering his former advisers about him, but his friends say he will require considerable time for drilling and reorganising his army before he will enter upon military operatiom tions. Should he take up the task of endeavoring to restore order, it is not improbable that he will resort to negotiations rather than fighting.

It is still quite possible, however, that he may yet resign an appointment which may have been made too late to save the present imperial house from overthrow.

On the 16th of October Mr. Greene reported that foreign ladies were leaving Hankow, and on the same day Consul-General Fisher telegraphed that three Chinese had been arrested the day before in Mukden and executed for disseminating revolutionary news. At the same time a strict censorship of the press was established throughout the empire.

After the capture of Wuchang a small force of Imperial troops was sent to hold the railway station on the Yangtse just below Hankow. On October 18 Mr. Greene reported that the station was being attacked by the rebels, and that the Imperialists were being assisted by Admiral Sah's fleet. On the next day, however, the Imperial troops, as reported by Consul Greene, abandoned their camp without fighting and withdrew to the north. At the same time Admiral Sah's fleet also departed down stream. There has been some skirmishing since but no serious fighting near Hankow. The Imperial troops have been concentrating at Sinyangchow on the railway about 130 miles north of Hankow, and are believed to hold the mountain passes to the south of that city. Their number is estimated to be about 15,000.

The revolutionists almost immediately after the

rising

[illegible] organised a hospital corps, the Red Cross under the superintendence of a missionary physician, ~~Dr~~ 77 Dr. McWillie- a British subject in connection with the American Mission at Wuchang- being in charge.

The Imperial Army is poorly prepared in this respect, but the Chinese Red Cross, of which H.E. Sheng Kung Pao is President, has been authorised to enlist the services of Chinese and foreign surgeons, a Chinese Superintendent has been appointed, and Dr. John C. Ferguson, an American, is appointed Assistant Superintendent. He hopes to start for the front immediately. Referring to my telegram of October 22 10 P.M. and yours of October 25, 5 P.M., I am informed by His Excellency Sheng Kung Pao that assistance from the American Red Cross will be accepted.

Immediately after the expulsion of the Imperial troops from Hankow, the revolutionists took possession of Huangchow, about fifty miles below Hankow, upon the Yangtse. The Chinese gunboats made no effort to prevent the movement. A part of the fleet descended the river to Kiukiang, the general belief here being that there was a lack of coal and provisions aboard.

On October 19th the important city of Ichang, an open port about three hundred miles above Hankow, fell into the hands of the revolutionists. This city lies at the mouth of the Yangtse gorges, and is to be the eastern terminus of the American section of the Hukuang Railways. Some fifteen thousand coolies who had been employed on the earthworks of the railway, were reported to have been paid on October 17th in discredited paper. They demanded silver, and at last reports the inhabitants were greatly alarmed, fearing riots.

Shasi, another open port about half-way between Hankow and Ichang is also reported to be in the hands of the rebels. For more than a week past there have been rumors that Changsha, the capital of Hunan, was in danger, but rumors of projected risings are so numerous that one hesitates to credit any of them. On October 19th a reassuring telegram came to Peking from the French Consul there. On October 23rd, however, the Inspector General of the Imperial Maritime Customs received a telegram from the Commissioner of Customs at Changsha, stating that the troops there had revolted and killed their officers, that the Governor of the province (Hunan) had fled and that the city was in possession of the rebels. I at once telegraphed the senior naval officer requesting the detail of a vessel to Changsha where there are some twenty-nine Americans living, most of them missionaries. On October 25th the Governor of the province of Kiangsi telegraphed to Peking the news of the fall of Kiukiang, one of the oldest of the open ports on the Yangtze River, situated about 200 miles below Hankow at the mouth of the Poyang Lake, the port for the shipment of the finest porcelains and the location of important tea factories.

Thus far the revolution had confined itself to the Yangtze Valley, but for some days past there have been rumors of a rising in Shensi. This was confirmed yesterday, October 25th, by an official of the Foreign Office who stated that the troops had revolted and were in possession of Hsianfu. The northwestern part of the empire contains a large population of Mohammedans who are of a turbulent disposition and who have frequently risen in rebellion. It is but a few weeks since a rising was suppressed at Siningfu in Kansuh. There is some fear expressed that present conditions may induce a renewal of the rebellion there.

There is general unrest throughout the southern part of the empire. Nanking and Chinkiang have asked for naval vessels which have been sent. Canton has two, but on October 16th asked for others. This request had to be denied, since the Admiral believed quite correctly that the emergency was greater in the Yangtse Valley. The situation in Canton, however, is critical. The President of the Ta Ch'ing Bank informed me two days ago that the Canton branch of the bank had shipped its treasure to Hongkong lest it should fall into the hands of revolutionists. It will be remembered that a rising took place at Canton last spring, when the Tartar General was killed by an assassin. Last night, October 25th, the Consul General at Canton reported that the newly appointed Tartar General arrived there yesterday and that while on his way to his yamen was killed by a bomb.

Taking a general survey of the empire, one can not but admit that the present Manchu Dynasty is face to face with the greatest crisis in its history. Unless a reconciliation can be effected there is at hand either a division of the empire or the entire overthrow of the Manchus. If Yüan Shih-kai takes the leadership and is successful in winning back the disaffected provinces by the introduction of a reformed government, the Dynasty may be saved. Otherwise there seems but little hope of recovering control of the south except by the assistance of a foreign power. Not only the troops in the seceding provinces, but even those now composing the Imperial army are disaffected.

At the engagement near Hankow the Tientsin troops refused to fire on the rebels. When General Yin-chang left here for the front he told a member of the cabinet that he had but little confidence in his army. The Manchu forces are nearly all in the immediate vicinity of this city. A thousand are holding the Yellow River Bridge so that General Yin-chang, should necessity require, may be sure of making his escape to this side of the river. The War Office is apparently in a funk. Serious charges of mismanagement are made against those responsible for the proper equipment of the army. The cabinet is without a definite policy except that of endeavoring to persuade Yuan Shih-kai to save the country. The Court appears to be terror-stricken and princes are preparing for flight.

When it became evident that a serious campaign was needed to suppress the rebellion, efforts were made to obtain the necessary funds. Overtures were made to various banks connected with the four groups, but these negotiations have as yet resulted in nothing. The proposal now under consideration is that the groups shall make an advance immediately to bear interest at a reasonable rate, which advance shall be repaid out of the first proceeds of a loan for two million pounds sterling. Proper security will be given. It has been suggested that the administration of the Salt Gabelle be taken over by the Imperial Customs and the loan made a charge against the unpledged balance of those revenues. While these negotiations were pending the Foreign Office requested the representatives of the powers signatory to the protocol of 1901 to move their governments to consent to a postponement of indemnity payments, the arrearages to bear interest at four per cent per annum as in the case of the arrearages for whose payment arrangement was made January 1, 1902. This would be equivalent to a loan for some fourteen million taels at four per cent interest. Some of the diplomatic representatives declared that such an arrangement as was proposed would require their governments to revise their budgets. It was finally decided, as reported in my telegram of October 20, 6 p. m., to reply to the Foreign Office that the representatives were not in a position to judge how such a course would affect the estimates and financial arrangements of the various governments concerned, and that China should approach the powers signatory to the protocol of 1901 through its own diplomatic representatives. In private conversation with the officials of the Foreign Office several of the diplomatic representatives called attention to the serious effect which the proposed course would have upon Chinese credit abroad.

On October 23rd Dr. Tenney called upon Duke Tse at the latter's invitation. The Duke asked him to request me to urge the American Government to support the proposal of the Foreign Office and begged me to talk the matter over with members of the Diplomatic Corps and endeavor to persuade them to represent the matter favorably to their governments. He declared that China did not have the money on hand to meet the next monthly instalment of the indemnity which will be due November 1st. Without disclosing the fact that I had received such a request I talked over the matter informally with four of the chiefs of missions, and suggested that if China was likely to default in any case it might have a less injurious effect upon her credit to have the payments postponed with consent of the powers than to have her fail to meet her engagements without such consent.

Sir John Jordan immediately answered that he had been assured by Lord Li that there was no danger of such a default, that China had funds more than sufficient to meet her obligations. This, too, was the statement of the Foreign Office when the request for postponement was first made. Sir John thought that it was unwise to encourage the Chinese in a course which might prove disastrous and that it would be far better to throw them upon their own resources. The French Chargé d'Affaires held views very similar to those of the British Minister. The German Minister believed that it would be better to agree to postponement than to have China default without consent of the powers and thought the Foreign Office might have had more chance of succeeding in its plan had the members approached the chiefs of missions one by one. The Austrian Chargé d'Affaires was of opinion that it would be wise to consent to postponement. On October 24th the matter came to the attention of His Excellency Sheng Kung-Pao who had not been consulted either by Duke Tse or the Foreign Office. He brought the question up at the cabinet meeting and severely condemned the proposal as dangerous to China's credit. As a consequence, yesterday, October 25th, the Foreign Office sent one of its officials to call at the Legations and say that the proposal was withdrawn.

The wide spread alarm caused by the successes of the revolutionists precipitated runs upon native banks and even upon some foreign banks in all parts of the empire. In Peking the Ta Ch'ing Bank and the Bank of the Board of Communications weathered the storm successfully, though the first day there was some difficulty in getting the silver needed. The local branch of the Banque de l'Indo-Chine made a loan of over a million taels to the Ta Ch'ing Bank. The Nanking Mint having issued some four millions of the new dollars which were being held pending the introduction of the new currency, the Viceroy there sent this treasure to Shanghai for safekeeping and when the native banks there began to suffer the Governor of the Province sequested that this sum be advanced to them to assist them to meet their obligations so that they might not be compelled to realise at a ruinous rate upon their securities. The foreign banks to which the native banks were owing large sums asked the Consular Corps to request the Diplomatic Body at Peking to support the request of the Governor of Kiangsu. This was done with the result that two million dollars were loaned for the assistance of the Shanghai market.

Trade is everywhere being disorganized by the disturbed condition of the country and many months must pass before normal conditions can be restored.

On October 25th the Doyen of the Diplomatic Corps received a telegram dated October 22nd from the Senior Consul at Hankow reporting that General Li (pronounced Lee) commanding the rebel army and the *de facto* ruler of the region about Hankow, had communicated to the consuls a list of goods which would be considered contraband of war, and informed them that he intended to confiscate ships carrying such goods. The British Admiral had expressed the opinion that he had no right to object and the consular body therefore decided to inform General Li that they had taken notice of the communication and had asked instructions from their ministers at Peking. The consuls have carefully refrained from any acknowledgment of the revolutionary authorities, but since the imperial authorities have fled they do not consider it possible to avoid all intercourse. The Doyen of the Diplomatic Corps in circulating the telegram expressed the opinion that the consuls could not avoid holding intercourse with General Li on matters affecting the security of foreign life and property, and that they should be allowed a discretionary power of deciding on the spot what questions ✓ fall within this category.

As regards contraband of war the Dean thought that the rebel general had no power whatever to confiscate foreign ships carrying such articles and that all goods the import of which is not prohibited by treaty can be conveyed freely in foreign vessels to Hankow. In view, however, of the fact that the rebel leader is the de facto ruler ofHankow, and that a resort to force may be necessary to make good the right to convey munitions of war to Hankow and elsewhere, the Dean is prepared to advise British ~~sh~~ shipping companies temporarily to abstain from this trade until the situation becomes clearer. This position appears to the Legation to be most sound and I hope that in reply to my telegram of today's date requesting instructions the Department may authorize me to support the views of Sir John Jordan.

The Department's telegram of October 14, 8 p.m., to Tokyo announcing that the American Government was contemplating advising its nationals in the disturbed districts to remove to such open ports as could be protected by vessels of war excited some comment here. On the whole the diplomatic representatives here who were consulted by their governments were not disposed to approve of the suggestion. The Legation expressed its views in its telegram of October 17, 6 p.m. If by the affected districts was meant merely those in the provinces of Szechuen and Hupei already threatened by the revolution, it did not seem advisable to the Legation to remove Americans from Chungking and Chengtu where most of the Szechuen missionaries are gathered to the only port where so many could be accommodated that is to Shanghai. Such a long journey through a disturbed country would be more dangerous it was thought than remaining in Szechuen. From the immediate vicinity of Hankow the consul had endeavored to send away American women and children, but there are others in inland districts who cannot get to Hankow or other river ports without considerable danger from disorderly soldiers and brigands. In the rear of the Imperial Army there are many American mission-stations near the Peking-Hankow Railway and to all those I have sent railway passes to the Yellow River from which place those who desire to do so can take the regular trains to Peking and Tientsin, and I have suggested that it is desirable that the women and children come away. Americans are scattered all over the Empire. Many of them can reach the coast only after journeys of a month or more at considerable expense, and where the whole country is in a state of excitement and unrest it seems to the Legation to be best for those in distant places to remain where they are well-known rather than to undertake to reach the coast. In view of the fact that both parties to the present conflict are anxious to protect foreigners and their interests there is less likelihood of attacks upon Americans then in previous troubles. A general movement of foreigners to the seaports would furthermore occasion general alarm and not unlikely induce attacks upon their property. The Legation will of course when danger threatens spare no effort to warn those who can be reached and endeavor to remove to Peking, Tientsin, Shanghai or other ports those who can reach such ports without encountering greater danger than that which menaces them at their homes.

In Peking today the one theme of conversation is the fate of Sheng-Kung-Pao, the Minister of Communications. The National Provisional Assembly opened its second session on Sunday last and met to appoint committees on Monday. Tuesday there were caucusses and yesterday, Wednesday, the Assembly unanimously voted for the impeachment of Sheng. His representative who was present in the house attempted to explain Sheng's railway policy, but was hooted down. The Assembly presented its impeachment last night The Cabinet was to consider it today. A second resolution sent to the Government demands the death penalty for Sheng, for the Viceroy Jui-cheng and General Chang Piao who lost Wuchang. The Cabinet decided at its meeting today to degrade Sheng and to appoint Tong Shao-yi to take his place as Minister of Communications. The loss of Sheng to the Government means the loss of the strongest man in the Cabinet and such surrender to the Assembly means that the Government will have to yield on other questions as well. But to retain Sheng would mean the strengthening of the cause of rebellion. If Tong accepts it will be doubtless with the understanding that his former chief Yuan Shih-kai is to return to power, and in this and in Tong's well known devotion to progress lies the hope of peace and the preservation of the dynasty.

I have the honor to be, Sir,
Your obedient servant,

E.T.W.

Chargé d'Affaires.

Enclosures:

Mr. Greene to Mr. Williams, October 12, 1911.
Mr. Greene to Mr. Williams, October 13, 1911.
Imperial Edict, October 11, 1911.
do October 12, 1911.
do October 14, 1911.
do October 19, 1911.

READING OF TELEGRAM SENT AT 12 MIDNIGHT NOVEMBER 7, 1911.

SOLVY

SECRETARY OF STATE,
Washington.

November 7, 12 midnight The revolutionists hold nine provincial capitals and many other important cities (period) Canton Foochow Nanking and Tientsin ready to revolt Majority is evidently opposed to any terms with Manchus Shantung has declared its independence Chihli as yet nominally supports Manchus but upon conditions most humiliating to them (period) Since the removal of Sheng the Regent has daily conceded demand after demand and now has the respect of nobody Edicts are pitiably pusillanimous Chinese Manchu mutual antagonism increases Massacres of Manchus at Wuchang and Taiyuan and of Chinese at Hankow have intensified the feeling General Wu commanding near Chengtingfu and appointed Governor of Shansi was ordered to Hankow but refused to go unless Yin-chang and others were punished for Hankow outrages The Government was in a dilemma (period) Last night Wu was killed by a group of Manchu soldiers A fight followed between Manchu and Chinese troops resulting in flight of the former Peking is an dread of a race conflict (paragraph)

It seems impossible for the Government to last much longer Its overthrow will likely result in chaos here The Government proposed to cut the Tientsin railway but desisted on representation of the Dean of the Diplomatic Corps (paragraph)

Two hundred Russian troops are en route to Tientsin Five hundred german troops at Tsingtau are ready to go to same place American Admiral has a small force of marines at Shanghai I suggest another be held ready for Tientsin

WILLIAMS

AMERICAN LEGATION,
PEKING.

No. 356.

Peking,
November 9, 1911.

Ack. by card Dec. 27. 1911

The Honorable
The Secretary of State,
Washington.

Sir:

Continuing my No. 352 of October 26, 1911, I have the honor to report the rapid progress of the revolution, which has now taken control of at least nine provincial governments and dominates large portions of other provinces.

The efforts of the National Provisional Assembly to find a middle ground upon which revolutionists and imperialists might be reconciled have apparently failed. Its proposals at first were moderate and seemed to promise a sane solution of the difficulty by granting the revolutionists a really representative government and allowing the Manchus to retain the Throne under constitutional restrictions. It was believed that Yuan Shih-kai favored such a solution and that he would accept the premiership. This programme, however, did not at all suit the fire-eaters in the south and the Assembly itself later grew more radical as it came under the domination of a small group supported and directed by General Chang Chao-tseng, commanding the 20th Division with headquarters at Luanchow in this province. General Chang was educated in Japan and is considered to be of more than ordinary ability. On the 28th of October when his division was ordered south he and his subordinate officers and the rank and file refused to entrain unless the Throne would grant twelve demands. The text of these demands is enclosed.

Promptly on the 30th of October the Throne issued edicts granting certain demands of the National Assembly, which appeared to include the most important of those presented by General Chang. These edicts, of which copies are enclosed, made apology for the past mistakes of the Government, granted amnesty to political offenders, authorised the present provisional assembly to draft a constitution and debarred the princes of the blood from membership in the cabinet and from posts of ministers of state.

The army at Luanchow was not satisfied, however. There were certain demands not yet granted which they regarded as important, chief of which was that the army should be consulted in matters pertaining to constitutional reform. At once it became apparent that the Assembly was dominated if not intimidated by the military. On the first of November General Chang sent a small detachment to Peking - about 300 cavalrymen - with an ultimatum threatening war on Peking if his demands were not granted. Immediately on the arrival of this message on the 2nd of November the Assembly took up the demands of General Chang and rushed through a memorial proposing nineteen articles (copy enclosed) which were to form the basis of a constitution, and on the morning of the 3rd of November they were approved by Imperial Edict, copy of which is enclosed.

In the meantime the Luanchow commander had sent out a circular letter to other divisions asking cooperation. The troops in Shantung responded with support, as did those at Paotingfu and vicinity. An Army League has been the result of this correspondence, which practically makes the safety of the Throne depend upon its compliance with the wishes of the northern army.

The Provisional Assembly at no time this year has had a full attendance of its members. At most there has been but a small majority and never the two-thirds which by regulation constitute a quorum. Generally the meetings have been attended by from 80 to 90 members. There were but 84 present on the days when these revolutionary memorials were adopted

The surrender of the Assembly and the Throne to the demands of General Chang satisfied the army, but aroused considerable opposition elsewhere. Many protests were sent in. Some objected to the assumption by the Assembly of powers never granted it; others objected strongly to the guaranty of the Throne to the Manchu Dynasty. The most effective reply, however, was the immediate overthrow of imperial authority at Shanghai, Soochow, Hangchow and a half-dozen other large cities in that region, followed by like action at Amoy and by demands from Shantung, refusal of which would mean the loss of that province. The issue has now become more clearly defined; it is Chinese against Manchu.

I have already in several telegrams called attention to the growing antagonism between the two peoples. The antipathy which has existed from the foundation of the dynasty prompted the massacre of the Manchu garrison of Wuchang upon the capture of that capital. The revolt at T'aiyuan Fu, the capital of Shansi, was signalized by the shameful murder there of Governor Lu and the massacre of a large number of Manchus, reported as two thousand. On the other hand, the capture of Hankow by the Imperialists was disgraced by the indiscriminate slaughter of Chinese men, women and children. These outrages upon the part of both parties have intensified their mutual hatred and have produced such a panic in Peking that not less than a hundred thousand people have fled the city, - the Manchus fleeing from possible Chinese assailants and the Chinese through fear of Manchu assassins. The danger of an outbreak was the greater because the Minister of the Interior, who controls the police of the Empire, was a reactionary Manchu, Kwei-chün, who was so lacking in judgment as to issue ball cartridges to the Manchu members of the force while refusing ammunition to the Chinese. His removal and the appointment on November 2nd of Chao Ping-chün, a Chinese and the most experienced police officer of the Empire, did much to quiet the city. But the armies defending Peking are of both races; - the Imperial Guard and the First Division of the modern army, mostly Manchus, and 7,000 men under General Chiang Kwei-t'i, which belong to the old organization and are veteran Chinese. With these two forces in close proximity each to the other there are many chances for a conflict.

The panic in the city was increased yesterday when it became known that General Wu Lu-chen had been assassinated by Manchu soldiers the night before. General Wu commanded the Sixth Division with headquarters at Paoting Fu in this province and was the idol of his troops. He was a man of modern progressive ideas and twice in recent years has been under suspicion of holding revolutionist sentiments. When a part of his force was sent to Hankow he remained at Paoting Fu, but after the revolt in Shansi and the murder of the Governor of that province he was appointed governor and sent to treat with the rebels, the Government here believing that his well-known attitude would enable him to pacify them and prevent a march upon Peking. Yuan Shih-kai, after many delays, left his home on October 31st with orders to proceed to Hankow and endeavor to pacify the rebels there. Repeated instructions were given him to avoid a conflict. He reported threes or four days ago that General Li Yuan-hung, commanding the rebel forces at Wuchang, had responded to his overtures that he had no power to accept the proposed basis of reconciliation, i. e. the 19 articles, until they should have been passed upon by an assembly of the revolutionists. Immediately thereafter Li was reinforced by 5,000 Hunanese and Yuan telegraphed that unless additional troops were sent to his assistance he would be compelled to fall back. General Wu Luchen, therefore, who had just made a satisfactory arrangement with the Shansi rebels was ordered to reinforce Yuan Shih-kai. To this he responded that he would not move until General Yin-chang and Colonels Ting and Yeh, who were regarded as responsible for the massacre of Chinese at Hankow, had been punished (i. e. executed). This demand the Regent could not grant and equally was unable openly to refuse. Suddenly news came of the assassination of General Wu on the night of November 6th by a number of Manchu soldiers who forced their way into his tent. The official account of the murder makes no mention of his demands, but charges the act to dissatisfaction of the Manchu troops with his lenient treatment of the rebels who had massacred their kindred at Taiyuan Fu. The account just given is, however, believed to be more correct.

The position of Yuan Shih-kai has become a very embarrassing one. After long delays upon various pretexts he finally consented to accept office, at the hands of the Government, but instead of coming to Peking to direct the course of affairs he took command of the forces operating against Hankow and has become identified in the minds of the Chinese revolutionists with the severe policy adopted there toward the rebels. What chance he once had of effecting a reconciliation appears to be gone. Moreover, the personnel of the army has undergone so many changes since he surrendered command that he no longer has such a hold upon the affection of the troops as once he held. He has further disappointed the hopes of the Regent and the Parliamentary party by steadfastly refusing to accept the premiership to which he was appointed on November 1st, after the resignation of the cabinet. Various reasons are given for his refusal, one being that he would not accept such an appointment from the Throne when the Constitution requires an election by the Parliament.* But more probably he realizes that it is too late to save the dynasty and prefers not to identify himself with a movement which is already doomed.

The Government is daily growing weaker. Its easy compliance with the demands of the Assembly and with those of General Chang, the pusillanmous

attitude

The National Provisional Assembly has
[illegible] Yuan since the above was written. E.T.W.

attitude taken by the Throne through all the negotiations and the humble tone of the edicts in which it apologizes for past errors and pleads with the revolutionists for their favor have effectually destroyed the respect of all classes. Majesty has been replaced by abjectness. The glory of the Imperial House has disappeared and "there are none so poor as to do it reverence."

It is the opinion of the Legation that the end can not be far off.

I have the honor to be, Sir,

Your obedient servant,

(Sgd) E. T. Williams

Chargé d'Affaires.

Enclosures:

1. Twelve demands of General Chang.
2. Imperial Edicts, October 30, 1911.
3. Memorial proposing 19 articles as basis of Constitution.
4. Imperial Edict, November 3, 1911.

Enclosure No. 1 in Despatch No. 356, of Nov. 9, 1911
from Peking.

Text of memorial of certain military officers to the Throne, the said officers being stationed at Lanchow, Chihli, October 28, 1911.

1. The Emperors of the Ta Ch'ing Dynasty shall transmit the succession to ten thousand generations.

2. The Parliament shall be established this year.

3. The Constitution shall be drawn up by the Parliament and endorsed and promulgated by the Throne, whose consent thereto need not be obtained.

4. All proposals regarding constitutional changes must originate in the Parliament.

5. The naval and military forces of the Empire shall be under the control of the Emperor, except that when these forces are used within the Empire they shall act under special regulations to be drawn up by Parliament, and they may not be employed except in conformity with the said regulations.

6. Sentence of "death on sight" or "summary execution" may not be pronounced by the Throne. Arrest and imprisonment of the people shall not take place except by due process of law.

7. A general amnesty must be proclaimed for all political offenders.

8. When the responsible Cabinet is established the Premier shall be elected by Parliament and appointed by the Emperor. The Ministers of State shall be appointed by the Premier. Members of the Imperial Clan shall be forever ineligible to serve as members of the Cabinet or as Ministers of State.

9. All treaties which add to the burdens of the people or concern the general interests of the nation shall be approved by Parliament before final signature by the Emperor.

10. The budget for any year shall be first approved by the Parliament before it can be used for the payment of the national expenses of the succeeding year.

11. The election of members of Parliament shall be in accordance with the special requirements fixing the qualifications of electors.

12. The above methods specified for the calling of Parliament and the establishment of constitutional government, as well as for the settlement of all important questions of state shall be subject to discussion by the Army.

Inclosure No. 3 in Despatch No. 356, Nov. 9, 1911,
from Peking.

Resolutions passed by the Assembly November 2,1911, embodying the fundamental principles of the Constitution to be drawn up by the Assembly.

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1. The Ta Ch'ing Dynasty shall reign forever.

2. The person of the Emperor shall be sacred.

3. The power of the Emperor shall be limited by the Constitution.

4. The law of succession in the Imperial family will be fixed by Parliament.

5. The power of amending the Constitution shall belong to Parliament only.

6. The Constitution will be drawn up by the National Assembly and promulgated by the Throne.

7. The Upper House of Parliament will be composed of men of a certain rank and standing as will be determined later.

8. The Premier shall be elected by the Parliament and appointed by the Throne. The Ministers of State are to be selected by the Premier and appointed by the Throne. Members of the Imperial Clan shall be ineligivle for appointment to the Cabinet, or to serve as Ministers of State or to hold the higher offices in the provincial administration.

9. The Parliament may impeach the Premier. In that case either the Cabinet will resign or the Parliament will be dissolved, but the same Cabinet may not dissolve Parliament more than once.

10. The naval and military forces of the Empire shall be under the supreme command of the Emperor, but when these forces are used within the Empire they will act under special regulations to be drawn up by the Parliament and they may not be employed except in conformity with the said regulations.

11. Arbitrary decrees of the Emperor shall not have the force of law. Imperial Decrees must be to carry into execution the laws, or must be in conformity with responsibilities conferred by law, except in times of special danger which will be provided for in special regulations to be drawn up.

12. International Treaties must be approved by Parliament before they can be concluded, except Treaties of Peace or Declarations of War at times when Parliament is not in session. In such cases the consent of Parliament will be obtained later.

13. Official appointments and the rules of official service will be fixed by law.

14. Before the Parliament has approved the budget of any year no disbursements may be made on the basis of the previous year's budget. In the budget shall not be included any items previously determined. No extraordinary disbursements in excess of the amounts fixed by the budget will be allowed.

15. The allowances for the expenses of the Imperial Household and any increase or diminution of the same shall be determined by Parliament.

16. No Imperial Regulations shall remain in force which are opposed to constitutional requirements.

17. The machinery of the Courts of Law shall be arranged by the two houses of Parliament.

18. All bills passed by Parliament shall be promulgated by the Emperor.

19. Before the convening of Parliament, Articles 8, 9, 10, 12, 13, 15, and 18 will be put in force as applying to the National Assembly.

Enclosure No. 4 in Despatch No. 356, Nov. 9, 1911,
from Peking.

IMPERIAL EDICT.

November 3, 1911.

The Tzucheng Yuan has presented a memorial suggesting the adoption of the policy of establishing a Constitutional Monarchy, submitting in the first place for Our perusal a draft of nineteen important articles and requesting that We make an oath before the Imperial Ancestral Temple and promulgate the articles to the ministers and subjevts so as to consolidate the foundation of the Empire and to protect the Imperial Family. Upon careful perusal We find that these articles are all important and We hereby command that they be sanctioned at once. In the meantime a date should be selected to make an oath before the Imperial Ancestral Temple to have the important articles promptly promulgated and yellow copies printed for the information of the whole Empire. The Constitution to be drafted by the said Yuan shall be based on these articles.

AMERICAN LEGATION,
PEKING.

Peking,
No. 363. November 22, 1911.

The Honorable
The Secretary of State,
Washington.

Sir:

The most note-worthy event in Peking since the writing of the Legation's No. 356 of November 9th was the arrival here on November 13th of His Excellency Yuan Shih-kai to take up the post of Prime Minister. A train load of troops preceded his arrival and his own train was heavily guarded. The streets from the legation quarter to his place of residence was also lined with soldiers and he appears to be constantly under careful guard.

He had audience of the Regent on Tuesday the 14th instant and accepted the office of Prime Minister. Two days later an edict appeared announcing the cabinet appointments. I enclose a list of these with notes by the Chinese Secretary. It will be seen that the office of Minister of Foreign Affairs remains in the hands of Liang Tun-yen and that the Vice Minister is Hu Wei-teh, who was Senior Vice President of the old Board. Many of the appointees were not consulted beforehand and some of them attempted to decline. Among these was Dr. Ch'en Chin-tao, Vice Minister of Finance, who is well-known to the Department through his connection with the currency loan negotiation. He was not allowed however to decline and has taken up the duties of his office.

None of the appointments have aroused much interest. The question of supreme importance in the opinion of most people is not who will support Yuan, but what can he do to better the situation? In answer one hears as a rule but pessimistic forecasts.

I called upon His Excellency on November 15th and received a return call from him on the 18th instant. In reply to my inquiry on the latter occasion whether or not he had received any news from Hankow, he replied that he had received a telegram that day announcing an attack the day before upon the rear of the imperialists by revolutionists who had crossed the Yangtze from Wuchang. He added that he did not know the result, but that his commissioner had arranged for a conference with the revolutionists upon the day of the attack and had therefore been taken by surprise. By altelegram from Consul General Greene we were informed upon the day after Yuan's call that the rebel attack had been repulsed.

His Excellency did not appear to entertain much hope of effecting any compromise with the revolutionists. He said that he had sent four commissioners to treat with them, but without success. It is known here that General Li Yuan-hung had replied to Yuan Shih-kai's overtures that he would support Yuan only if the latter would abandon the Manchus. After Yuan's arrival here an edict appeared directing the Viceroys and Governors to send from three to five delegates from each province to Peking to consult about the situation, but since most of the Viceroys and Governors no longer have any authority in their provinces, and in some cases are in exile, the edict cannot be considered as having much value. It called forth a reply, however, from Sun Pao-ch'i, lately Governor of Shantung and now President of the Shantung Republic. Although he is a son-in-law of Prince Ch'ing, he appears to have thrown in his lot definitely with the republicans. He sent a telegram on the 16th instant to the Provincial Assembly of Chihli, a copy of which is enclosed, in which he declared that the province was irrevocably committed to the plan for a republican confederation and stated that he had asked the Governor of Kiangsu - who had taken a course similar to his own - to join him in a memorial to Yuan Shih-kai saying that if he would abandon the principle of a hereditary monarchy and proclaim a federation form of government he would consent to send delegates to Peking to deliberate upon the treatment of the imperial family, but that otherwise there would be nothing to discuss. He asked the Provincial Assembly of Chihli to join in such a memorial. I am informed today that the Assembly has consented. This action threatens to take away from the dynasty its last support.

A movement similar to that supported by Yuan has originated in another quarter which promises to have more effect. Yang-tu, a supporter of the plan for a limited monarchy, and Wang Chao-ming, a radical republican, have organized a society which aims to secure a vote from the people upon the question of the form of government. It is proposed that the provincial assemblies shall elect representatives to a national convention to be held in Peking at an early date to vote upon and decide the question whether a limited constitutional monarchy with the Manchu Emperor on the Throne or a republic shall be established.

Undoubtedly a limited monarchy seems most likely to meet the present needs of the Chinese people. The very general illiteracy of the Chinese, their provincial jealousies and their unfamiliarity with the principles of self-government make them most unlikely to succeed in establishing a stable government without some such tie as would be supplied by a line of hereditary rulers. It must be admitted, however, that the revolutionists in the main show a decided unwillingness to accept the Manchu ruler, and it may be that we shall all be agreeably surprised to find the Chinese capable of conducting a republican form of government.

Today I was informed of a message sent to Yuan by the revolutionists of Shansi and Shensi, similar in character to those from Wuchang and Shantung. Shanghai has not been behindhand. On November 11th Mr. Wu Ting-fang, formerly Minister to the United States, sent a telegram to the Legation, of which I enclose a copy, asking the Legation to transmit to the Regent a message from the revolutionistsgovernment urging the abdication of the Emperor. The Legation, of course, took no action in the matter.

While the peace-makers in the north are trying to get a convention of delegates at Peking to settle the question at issue, the revolutionists themselves are making earnest endeavors to unite the various embryo republics under one general government, and seem likely to succeed in doing this before the proposed convention at Peking can be held, in which case they will be able to present a nuited front to all approaches from the Imperialists. In this connection I enclose copy of a telegram from Consul General Greene dated November 15th in which he communicates a notification from General Li to the effect that the republican leaders of the various provinces had appointed him their representative in matters affecting foreign relations and in other affairs of common interest. Consul General Greene on the 19th instant telegraphed that the revolutionist foreign office had assured him that six provinces were already represented at Wuchang and that fourteen would have representatives there before a fortnight. Since that telegram was received Mr. Tsai T'ing-kan, one of Yuan Shih-kai's commissioners, returned from Wuchang and

reported

stated to Dr. Tenney that thirteen provinces were already represented at Wuchang.

The thing most to be feared in the attempt to establish republican government in China is that after the Manchus are removed, the common hatred of whom forms the bond of union among the seceding provinces, there will be no sentiment to bind them together. All who know China know how strong the provincial feeling is and that mutual jealousy is apt to prevent any harmonious cooperation.

The term which they use today to express their conception of the form of government desired is confederation, or more freely a federation of commonwealths. The thought that is uppermost in their minds in using this phrase undoubtedly is "local autonomy." I had occasion to point out the difficulties in the way of preserving a just balance between local self-government and national supremacy when a delegation from the National Assembly, representing eight different provinces, called upon me on the 20th instant to ask my advice as to the best course to take in the present crisis. Upon inquiry I learned that they had not yet called upon other ministers but intended to do so later; that they had come to me first because ofthe friendly interest in China's welfare shown by the American people. I am inclined to believe that they were influenced also by the fact that our own government is such a federation of states as they desire.

I replied to them that I could not as American

Minister interfere in their domestic politics, but that I was deeply interested in the welfare of China and hoped they would soon be able to restore peace to their country. I pointed out the need of a long period of preparation to fit people for the exercise of self-government and called attention to the differences which sometimes spring up in our own land between the states and the general government, pointing out the value of our Supreme Court as an agency for adjusting these questions. They expressed themselves as pleased with the conference and stated that they were happy to find that their views coincided with my own. I must own, however, that the present National Assembly does not wield much influence, since the provinces from which its members come, for the most part, refuse any longer to recognise the Peking government.

I have the honor to be, Sir,

Your obedient servant,

Enclosures:

1. List of Cabinet appointment.
2. Telegram from Sun Pao-ch'i to Provincial Assembly of Chihli.
3. Telegram from Wu Ting-fang to Legation, November 11, 1911.
4. Telegram from Mr. Greene to the Legation, November 15, 1911.

Inclosure No. 1 in despatch No. 363, Nov. 22, 1911,
from Peking.

Comments on the Personnel of Premier Yuan Shih-k'ai's First Cabinet.

(Appointments confirmed by Imperial Edict, Nov. 16, 1911)

(Chinese Secretary)

Ministry for Foreign Affairs.

Minister: Liang Tun-yen (Kuangtung).

Student in America-undergraduate of Yale University - Interpreter to Chang Chih-tung for several years - Customs Taotai Hankow 1903 - same Tientsin 1904-1907 - Acting Junior Vice President Board of Foreign Affairs 1907 - same substantively 1908 - Acting President same 1909 - same substantively 1910 - Member of the Revenue Council 1910 - retired on sick leave July, 1910 - visited America summer of 1910 - now in Europe - appointed Minister for Foreign Affairs by Imperial Edict of May 8, 1911.

He is intelligent and agreeable, but very untrustworthy in his statements. He formerly used opium but professes to have broken off the habit. He is inefficient and dilatory in the conduct of public business. Although he has many modern ideas his general attitude in regard to real reform is conservative and obstructive. His feeling toward Americans is genuinely cordial, owing to his long residence in America.

Vice Minister: Hu Wei-te (Chekiang).

Studied in T'ung Wen Kuan - speaks English and French - Minister to Russia 1904 - 1907 - Junior Councillor Board of Foreign Affairs September, 1907 - Minister to Japan 1908 - 1910 - Junior Vice President of the Board of Foreign Affairs May 1910 - Same Senior, July 1910.

He is a man of mediocre ability and little force. He is, however, diligent in the discharge of routine business and generally prompt in taking action when matters are brought to his attention.

Ministry for the Interior.

Minister: Chao Ping-chün (Honan).

Licentiate (hsiu ts'ai) - speaks no foreign language - Acting Junior Vice President Board of Police October 1905 - Junior Vice President Board of Interior - November 1906 - retired March 1909 - served as Police Superintendent at Tientsin 1902 - 1906.

He is one of Yuan Shih-k'ai's trusted lieutenants. Formerly used opium. Professes to have broken off.

Vice Minister: Wu Chen (Chinese Bannerman).

Senior Police Provost Peking Gendarmerie March 1907 - Acting Vice President Board of Interior April, 1908 - Senior Vice President of the same March 1909 - Commandant of the Peking Gendarmerie since August 1910.

He is not prominent in any way. Speaks only Chinese.

Ministry for Finance.

Minister: Yen Hsiu (Chihli.

Metropolitan Graduate - Hanlin - has high reputation for Chinese scholarship - member of wealthy Tientsin family- one of the most influential of the Chihli gentry - speaks only Chinese - personal friend of Yuan Shih-k'ai - Acting Junior Vice President Board of Education November 1905 - same substantively April 1906 -

same , Senior Vice President August 1906 - resigned April 1910.

Vice Minister: Ch'en Chin-t'ao (Kuangtung).

Graduate Queen's College, Hongkong - speaks English - teacher of mathematics, Peiyang University 1898-1900 - studied several years in America - Ph. D. Yale University - specialized in Finance and Economics - served on Currency Reform Bureau - Director of Bureau of Engraving and Printing - Vice President of the Ta-Ch'ing (Government) Bank - Chinese Delegate to Bankers' Currency Loan Conference in Europe 1911.

Ministry for Education.

Minister: T'ang Ching-ch'ung (Kuanghsi).

Metropolitan Graduate - Hanlin - a Chinese scholar of the old school - speaks only Chinese - very conservative - Sub)Chancellor Grand Secretariat November 1893 - Vice President Board of Rites October 1897 - Vice President Board of Works October 1902 - Literary Chancellor Kiangsu 1904 - Junior Vice President Board Civil Office November 1906 - Senior Vice President Board of Civil Office August 1907 - President Board of Education April 1910.

His conservatism and partiality for the old literary education makes him notoriously unfit for his position as head of the Ministry for Education.

Vice Minister: (First Appointment) Yang Tu (Hunan).

Returned student from Japan - formerly member of Commission of Constitutional Reform - member of the National Assembly. Yang Tu declined the appointment and by the Edict of November 17, 1911,
Liu T'ing-ch'en (Kiangsi) was appointed to take his place

place as Vice Minister.

Commissioner of Education Shensi May 1906 - Senior Secretary Board of Education July 1907 - General Superintendent of Colleges December 1907 - President of the Imperial University of Peking since 1908 -

He is a conservative of the same school of thought as T'ang Ching-ch'ung and has thrown his influence as far as possible on the side of minimising the modern side of the new education and over-emphasising the Chinese literary studies. The above two appointments leave educational arrangements in the hands of the conservative reactionaries.

Ministry for War.

Minister: Wang Shih-chen (Chihli).

Speaks only Chinese - General of Yuan Shih-k'ai's new army 1902-1906 - Deputy Lieutenant General Mongol Plain(White or)Yellow Banner April 1906 - Acting Commander in Chief Kiangpei June 1907 - retired April 1910- Viceroy Hukuang provinces November 2, 1911 - Did not proceed.

Vice Minister: T'ien Wen-lieh (Anhui).

Formerly Major General of the old provincial forces of T'ung Chou and Yung P'ing Fu - has no especial reputation - the reason for his appointment is obscure.

Ministry for the Navy.

Minister: Sa Chen-ping (Fukien).

Received naval education in China and England - speaks English fluently - has various positions in the navy - he accompanied Prince Tsai Hsün to Europe and America in 1910 - has rank of Admiral and is now in command of the Yangtze Fleet - he is amiable and courteous, but has no very high reputation for efficiency.

Vice Minister: T'an Hsueh-heng (Kuangtung).

Educated in Chinese Naval College - speaks English - has held office in both the naval and war Boards - appointed Secretary to the Naval Department in 1909 - and Vice Minister to Prince Tsai Hsün December 4, 1910.

He is not a clear thinker and is deficient in force and efficiency.

Ministry for Laws.

Minister: Shen Chia-pen (Chekiang).

Metropolitan Graduate - speaks only Chinese - Taot'ai of the T'ung Chou Yung P'ing Fu Circuit - Provincial Judge of Shansi September 1900 - Junior Vice President Board of Punishments November 1901 - Senior same February 1902 - President High Court of Justice November 1906 - Junior Vice President Board of Laws May 1907 - member of Commission of Constitutional Reform October 1907 - Vice President of National Assembly 1st session 1910 - Senior Vice President Board of Laws 1911.

This official has a good reputation as a man of solid attainments and is fairly progressive without being radical.

Vice Minister: Liang Ch'i-chao (Kuangtung).

Provincial Graduate (Chü-jen) - he was allied with K'ang Yu-wei in the reform association which gained the ascendancy over the Emperor Kuang-hsü in 1898 and after the coup d'état of that year he was proscribed - he escaped to Japan where he has resided ever since - by his writings in Japan he has exerted a great influence over his countrymen - he has published a newspaper and written much on political and legal reform - he has disapproved of the extreme radicalism of some of the reformers and has consellled moderation- he was pardoned by the Imperial Edict of October 30, 1911 but has not yet returned to China.

Ministry for Agriculture, Industries and Commerce.

Minister: Chang Chien (Kiangsu).

Metropolitan Graduate of highest rank (chuang yuan) - has never held regular office - he is the leader among the Kiangsu gentry and President of the Provincial Assembly - he has taken the lead in the establishing of new industries in Kiangsu Province and has a high reputation for enterprise and efficiency - he speaks no foreign language but is progressive in his ideas - he has now identified himself with the revolutionaries in Kiangsu and is one of the signers of a telegram sent on November 11, 1911, to the Prince Regent urging that the Manchus abdicate the Throne.

Vice Minister: Hsi Yen (Manchu).

Appointed ~~Xxxxxx~~ Junior Secretary Board of Commerce February 1906- Senior same November 1906 - Junior Councillor same November 1906 - Senior same January 1907 - Senior Vice President same Board February 1907 -

This official is little known. His service has been entirely in the one Board. He speaks Chinese only and has had little contact with foreigners.

Ministry for Dependencies.

Minister: Ta Shou (Manchu).

Appointed Senior Vice President Board of Education

tion August 1906 - member of Commission sent to Japan to study constitutional matters September 1907 - March 1908 - Senior Vice President Board of Dependencies May 1908 - Vice President of National Assembly 2nd session 1911.

This official has a good reputation and is considered progressive. He is, for a Manchu, a very good Chinese scholar. He speaks no foreign language.

Vice Minister: Jung Hsün (Manchu).

A relative by marriage of the Prince Regent - Commissioner of Police Peking 1906 - Junior Vice President Board of the Interior 1907 -

This official is practically unknown outside of Manchu circles.

Federation Form of Government.

(Tr. from the Peking KUO MIN KUNG PAO, Nov. 18, 1911)
(Translation)

On the night before last the Chihli Provincial Assembly received the following telegram from Shantung:

"To the President of the Local Government, the Head of the Pacification Society, and the Provincial Assembly.

From the Manchu Government an Edict has just been received dated November 15th calling upon all the provinces to elect delegates to a Convention at Peking to deliberate upon governmental affairs. I, Sun Paoch'i, have already memorialised by telegraph saying that all the people, both military and civilian, have agreed on the Federation form of Government and this cannot be changed. I propose to have President Ch'eng (Ch'eng Te-ch'uan, Governor of Kiangsu. Tr.) send a jointly signed telegram to the Premier Yuan Shih-k'ai saying that if he will acknowledge the abandonment of the hereditary monarchical principle and proclaim the Federation form of Government and acknowledge Peking to be the Middle Government (of the Confederation) every province will send delegates to Peking to deliberate on liberal treatment of the Imperial Family and on the enactment of laws for the nation. Otherwise there is nothing to discuss, but we expect to establish a separate provisional government to arrange all important matters. I ask you to give this immediate consideration. (Sgnd) Sun Pao-ch'i.

AMERICAN LEGATION,
PEKING.

Peking,

No. 366. December 4, 1911.

The Honorable
The Secretary of State,
Washington.

Sir:

Referring to my No. 362, of November 21, 1911, in which reference was made to the reported murder of certain foreigners in Hsian Fu, province of Shensi, I have the honor to send enclosed a report by Mr. G. F. Baker, of the Chinese Postal Service, of interviews with members of a party of missionaries from Honan Fu and southern Shensi, who repeated to him the accounts which had come to them of the trouble at Hsian Fu, and reported conditions at other places in Shensi and Honan.

In this connection I have the honor to state that the total number of Americans in the province of Shensi, so far as the register at the Legation shows, is 12 adults and 9 children. In the adjoining province beyond Shensi (Kansu) there are 11 American adults and 7 seven children. Most of these are in such distant and inaccessible regions that a journey to the coast would require from one to two months and would be attended with so much danger and hardship as to make their continued residence at their stations in comparison far preferable.

The Legation has endeavored to get into communication with the missionaries in Kansu by telegraphing through Siberia to Kashgar, but has not yet had any reply.

While it is true that both the imperialists and the revolutionists have up to the present endeavored to preserve order and give protection to foreign life and property, the increase of brigandage throughout the empire is proof of their impotence, and I have thought it advisable to instruct the American consuls to urge Americans resident in the interior to remove to places where they can be under the protection of foreign naval vessels. A copy of this circular instruction was sent to the Department with my No. 362, of November 21st.

The Legation and most of the consuls had already advised Americans in the districts chiefly affected to send the women and children to places of safety and many had complied. Quite a number, however, have refused to be guided by the advice of the Legation and the consuls and persist in remaining themselves and keeping their families in remote places where foreign protection is impossible.

In this connection I beg to call attention to despatch number 128, of November 4, 1911, from the consul at Chungking, a copy of which was sent to the Department by Mr. Pontius, in which Reverends McCartney and Lewis are shown to have used their influence to persuade some of the American women at that port to remain against the advice of the whole consular body and the commanders of the foreign gunboats stationed there. Upon receipt of this report I addressed a letter, of which I enclose a copy, to Bishop Bashford, of the Methodist Episcopal Mission, to which Messrs. McCartney and Lewis belong.

I have the honor to be, Sir,

Your obedient servant,

Sgd W. J. Calhoun

Enclosures:

1. G. F. Baker's report of interviews with missionaries.
2. Mr. Calhoun to Bishop Bashford, December 4, 1911.

closure No. 1 in Despatch No. 366, Dec. 4, 1911,
from Peking.

COPY:

Report by G. E. Baker. Friday, 24th November, 1911.

Last night, 23rd November, at 9.30 p.m., a second party of missionaries arrived from Honanfu and beyond. They numbered 5 men, 7 ladies and 1 child (al, with one exception, Swedish subjects), 1 Chinese schoolgirl and 3 native servants. They were met by Mr. Chambers of the Associated Press and myself. They reported as follows:-

Mr. Ringberg, of the Swedish Mission in China, Honanfu, said he heard on Sunday, 5th November, from the Chines postmaster at Hsin Ngan Hsien (Sinanhsien), Honan, that relatives of his (the postmaster's) coming from Sianfu said that the Postmaster there was out riding on the 1st of the 9th moon (Oct:22nd) when his horse bolted, frightened by the firing, and threw him, seriously injuring him, and that he later died of his injuries.

They also reported that on their arrival at Paotingfu Dr. Lewis of the American Presbyterian Mission informed them that the Imperial troops had been badly beaten at Hankow, and that he had been asked to be ready to receive 50 or more severely wounded men coming up by special train.

Mr. Linder, of the Swedish Mission in China, T'ungchowfu, Shensi, 240 li E.N.E. of Sianfu reported that at the end of the 8th moon a proclamation was issued in Sianfu, signed by General Chang Feng-hui, in command of the Imperial troops and of the guard of the west Gate of Sian, who was the leader of the revolt in Shensi. Mr. Linder has himself seen a copy of this proclamation. It exhorted the people to keep quiet during what was about to happen. They were not in fear, as the intention was to establish the Chinese and destroy the Manchus ( ) who during the more than 200 years they had reigned had proved themselves worthless to the country. Merchants, churches, foreigners and ordinary people were all to be protected, but the Manchus were to be destroyed so that neither chicken nor dog was left ( ), and anyone found harbouring a Manchu would be put to death and his family exterminated.

The Manchus, learning their danger, prepared for defence within their own walled part of the city.

On Sunday, October 22nd (1st of 9th moon), a crowd of students from the Government Colleges and military schools came rushing along the streets, shouting "Protect business places, churches and foreigners; establish the Chinese and exterminate the Manchus!" At the same time, Government troops entered the city by the West Gate, set fire to a building near the Governor's Yamen in the Chinese city to distract attention from their real objective, then commenced cannon fire on the Manchu city, and the Revolution had fairly begun. The Manchus had fortified their city in anticipation, and maintained their stand that day. The revolutionary leaders, not wishing to terrify the people unduly by firing at night, decided that they would that night go to several Manchu villages near the Wei Ho, 15to 20 li outside the city, and exterminate the Manchus there who had settled down to farming. This they did during the night of Sunday, 22-23rd October.

On Monday, 23rd October, they recommenced the bombardment of the Manchu city, which soon fell, and a fearful slaughter began, accompanied by terrible cruelty. It continued until the whole male Manchu population, and most of the women, had been exterminated. As an example of the spirit possessing the people, a Chinese living 40 li out of Sianfu, who was formerly a teacher in the Government Middle School in the city, hearing on the Sunday night that the revolutionaries were not able to take the city, jumped ona horse and rode into Sianfu. There he started killing Manchus right and left, working like a fiend till the next night, stopping neither to eat or to sleep. Reports say that in their mad lust for revenge the murderers smeared the blood of their victims on their faces to make themselves look more hideous. A number of Manchu women and girls were spared from death for the worse fate of the viàlence of the soldiers.

On the Monday, bandits in small, unorganized groups, taking advantage of the situation, began entering shops and demanding money, cutting and wounding but rarely killing those who dared to refuse them. At the same time the school kept by the Beckmann's in the South suburb for foreign children, was attacked by the mob, who set fire to the houses and killed Mrs. Beckmann and the Norwegian schoolmaster Mr. Vatne, together with 6 foreign schoolchildren. Mr. Beckmann is reported to have escaped on horseback with one child in his arms, himself being wounded in the shoulder.

On Tuesday, 24th October, the revolutionaries, having cleared the city of Manchus, began to lay hold on the bandits, to clear the city of them too. Everyone proved to be a bad character was summarily executed, while whoever could not give a satisfactory account of himself was ejected from the city. In this way order was promptly restored in the city, to the great satisfaction of the business men and the inhabitants generally, who showed their appreciation by spreading refreshment stands in the streets for the soldiers. By an oversight which was afterwards remedied, the revolutionaries omitted to set a guard over the Mission compound outside the city. Consequently the premises of the English Baptist Mission in the East Suburb were in considerable danger the first night, but the threatened attack was not made. The only casualty was that Mr. Smith (probably Rev. Donald Smith, M.A.), while escorting some schoolgirls from Miss Beckingsale's school, was attacked and severely wounded in the head.

Comparative quiet having been restored, the army remained in the city, devoting themselves to establishing the new regime. No one outside the city appears to know exactly what was going on inside. The Yamen had been destroyed, though some say that the Governor was made a prisoner. Meanwhile the whole of the surrounding country certainly so far as T'ungchowfu and Hoyanghsien, began to swarm with robbers, in which state the countryside more or less still remains.

In T'ungchowfu, as soon as word came from Sianfu on November 3rd, the narrator, Mr. Linder, went to the Magistrate's Yamen and informed the officials of the state of affairs in Hankow and elsewhere, exhorting them to prepare for resisting the robbers by raising a volunteer militia corps and by stopping at once the regular fifth-day markets and forbidding all theatres. This was forthwith done most rigorously, both in town and in country. The fu and hsien officials, themselves, were constantly in the streets in plain dress, permanablyy superintending the recruiting of volunteer guards for the city walls, etc. Every owner of a house or of part of one had to provide a man as "volunteer ". In this way the panic-stricken people were speedily quieted, and even the farmers in outlying places took courage and policed their villages. Several robbers were caught and beheaded on the spot with chaff-knives. This method was adopted in several hsien, with the result that robbers began to disappear. Meantime people in the town were in great trepidation as to their future, and the wildest rumours of what the coming of the revolutionaries would mean were abroad. As a matter of fact, the actual delivery of the town into the hands of the revolutionaries was very quietly done by correspondence through a commissioner. The actual method of demanding surrender of any given town in Shansi is as follows:- A demand is sent for information on five points, viz.,-

1) The names and positions of the local officials;
2) The amount of revenue from taxes;
3) The names of members of the Local Assembly;
4) All particulars relative to Government schools;
5) Full information as to military and police.

A reply giving these details is taken as surrender, and is generally given secretly. This was the method of procedure adopted in P'ingyangfu and Yunch'eng, South Shansi, and apparently in Shensi also.

The movement is in no way either anti-Christian or anti-foreign. On the contrary, every protection is afforded to all other than Manchus and brigands. So far, no sign of ill-feeling against the missionaries or their converts, as such, has made itself manifest.

Mr. Linder had received several messages and one letter from Rev. A.G. Shorrock, of the English Baptist Mission, Sianfu. At the time of the outbreak Mr. Shorock and his family were at Fuyunts'un, the "Gospel Village" on the north side of the Wei Ho, conducting the usual Native Conference. The disturbed state of the country prevented his return to Sianfu. Fuyints'un is a large village without walls, but the Christians, most of them Shantung men who moved there after the great famine thirty years ago, felled their trees and made a palisade around the whole village, connecting the trees with strong ropes. Within this stockade they kept stricter guard, and caught several would-be robbers. Native reports have it that scholars from the military school at Sianfu are also keeping guard at Fuyints'un.

Mr. Shorrock is reported to have been quite hopeful at the time of writing, being even desirous of opening the school at Fuyints'un for the autumn session.

Mr. Linder left T'ungchowfu on Tuesday, November 7th. Roads were then still open from Fuyints'un, but not from Sianfu. He sent word to Mr. Shorrock offering him the use of their house in the walled city of T'ungchowfu if he cared to use it, the city being well guarded by the inhabitants.

Mr. Shorrock, writing about 2nd November, spoke of Mrs. Beckman, Mr. Vatne and 6 foreign children as having been killed, but made no mention of Henne and his family, of Manneram, of Ross, or of Davies.

Word came, they could not remember whenh, that Mr. and Mrs. Bengtson of the Scandinavian Alliance Mission, Sianfu, and Mr. and Mrs. Ahlstrand, of the same Mission, Ch'ienchow, were in hiding, probably in the country among the Christians.

NOT FOR PUBLICATION:-

Mr. Webster of the Swedish Mission in China, Chiechow (Hsaichow) said that at Chengchow on Wednesday, 22nd November, Mr. Lawton told him that he (Mr. Lawton) had received a letter from Bishop White of Kaifengfu saying that those who went might leave their (house) property in his care as he was not intending to leave Kaifeng, and was laying in arms and ammunition as a precaution against robbers, which was his only fear.

G.E.Baker's Report, Monday, 27th November, 1911.

At 3 p.m. yesterday Mr. E. Rose, Acting District Postmaster of T'aiyuanfu, reached Peking with his wife and child, in company with 31 others, mostly missionaries of the English Baptist Mission in Shansi and their families. All were British citizens except Mr. McCoy, of the T'aiyuanfu Imperial University, and his wife and 2 children, who were Americans.

The party corroborated previous reports of the unsafe state of the roads over which they had passed, and of the destruction by fire of a large part of T'aiyuanfu city. They contradict the rumours of wholesale massacre of Manchus in T'aiyuanfu and of foreigners generally which have come in through Chinese sources, and express considerable doubt as to more than a very few foreigners having been killed in Shensi, all the rumors of which have come in through Chinese channels. They assert they believe practically all foreigners in both provinces to be still alive, but unable or unwilling to leave their stations while the roads are so infested with hordes of robbers, many of them outlaws.

Rev. Arthur Sowerby, the senior Baptist Missionary in T'aiyuanfu, said word had reached them there from Rev. - Pye, American Board Mission, Fenchowfu, and from Dr. Carr, of P'ingyenfu, that Chinese reports stated that Wilhelm Henne, his wife, and 2 children, and Philip Manners, all of the postal staff at Sianfu, had been kiled. The transmitters of the reports considered them true, though they had no corroborative evidence.

(Signed) G. E. Baker.

(COPY)

American Consulate,
Nanking, China,
November 10, 1911.

No. 144.
(Confidential)

Honorable E. T. Williams,
American Chargé d'Affaires,
Peking.

Sir:

I have the honor to enclose herewith report of the progress of affairs at Nanking during the past week.

I have the honor to be, Sir,
Your obedient servant,
(Signed) Wilbur T. Gracey,
Consul.

(COPY)

Report relative to events happening at Nanking.

In continuation of my report of October 28 sent in despatch No. 141, I beg to inform the Legation that upon the completion of the proposed plans of escape I submitted the same to the Americans resident in the city, and met some of them at the Methodist mission placing the scheme in their hands, and consulting with Bishop Bashford regarding the situation. The Bishop informed me that he would look through the scheme and instruct the members of his mission to place themselves under my orders in the event of trouble being imminent at this city.

On November 2nd the 33rd and 34th Regiments of the new troops were ordered to leave the city. It appeared that the Viceroy and Tartar General had discussed the situation, that the two regiments, through their commander, General Hsu Shao-cheng, had demanded that the Viceroy should return to them the breach-blocks of their guns which had been previously removed and supply them with sufficient ammunition to protect themselves from the Manchu and Honan troops between whom they were encamped. The Viceroy had agreed to give them fifty rounds of ammunition, but the Tartar General, Tieh Liang, objected to this course on the score that trouble would be precipitated thereby, and apparently told the Viceroy that if he took such a course, he, the Tartar General, would attack the city with his own troops. It was finally agreed that if these two regiments would leave the city, ammunition would be supplied to them. This they agreed to do and were m marched out on the 3rd inst. through the South Gate to a point known as Mo-lin-kuan where they are still encamped.

With this action on the part of the Viceroy the situation appeared greatly simplified, and both the British Consul and I anticipated little immediate trouble locally.

With the revolutionary outbreak in Shanghai on the 4th and 5th the situation here again appeared more serious.

On the 7th inst. word was received that the cities of Wuhsi, Changchow, Henglin, Tanyang, and Chinkiang had gone over to the revolutionists and that the Viceroy had received a secret edict from the throne instructing him not to oppose the revolutionists. This information was conveyed to the American Admiral at Shanghai, by wireless, through the kindness of the Captain of the U.S.S. NEW ORLEANS, for transmission to the Legation, Consul General, and Department of State.

Various rumors were prevalent throughout the city during the day, and as no news of a definite nature could be obtained, I considered it advisable to call upon the Viceroy, which I did at 4 P. M.

He denied the receipt of this telegram but said he had received a despatch informing him that a truce had been called in the fighting at Hankow, and that the revolutionists for the time being were not to be looked upon as rebels. I asked him if he could insure protection to the Americans resident in the city and could guarantee that there would be no danger to them in remaining here. His reply was that he could at the moment guarantee protection, but could not tell what might occur in the near future. I then asked him if he considered it advisable for me to order the American women and children to leave the city, and he finally said he considered this would be a wise course to pursue. I further asked him if in the event of the revolutionists wishing to take over the government of the city ~~quietly~~ he would be prepared to hand over to them without fighting, and his reply was that if they came in a peaceful manner he would receive them in the same way. On being further questioned as to whether he would hand over the city quietly, he said this he did not consider a possibility. I then asked him if, in the event of trouble being imminent, he would agree to our landing a force of armed sailors to protect the Consulate and American women and children, to which he replied, "If conditions should become more intense I consider this would be a wise precautionary measure and agree thereto." I then asked him, as Senior Consul, if he would agree to the same course being pursued by the other foreign ships in port, to which he also agreed.

I left the Viceroy's yamen at 6 P. M. and as I was not entirely satisfied with the condition of affairs, I drove through the Tartar City, which was heavily guarded, to the Tartar General's yamen. Tieh Liang being a friend of mine of some years standing finally received me in a friendly manner at this late hour in the evening and spoke with me quite freely regarding the critical situation. Tieh Liang told me in the greatest confidence in a whisper that no matter what action might be taken by the Viceroy he would resist the revolutionaries with his armed force which numbered about 2000. He also informed me that during the day nine looters who were supposed to have revolutionary feelings had been executed by General Chang Hsun, General in Chief of the Imperial troops at Nanking. I also questioned Tieh Liang as to the advisability of sending foreign women and children out of the city, and he also considered it a most wise procedure. By calling on Tieh Liang at this time when it was supposed that he was in constant danger, or had fled from the city, I not only proved the falseness of the latter rumors, but also got conclusive proof of his attitude with regard to the crisis, and in making this call at this critical time I was entering a danger zone in which none of my fellow consuls had cared to go.

Returning from this yamen in the darkness I was several times challenged by the troops, but passed without difficulty.

At eight o'clock of the same evening I attended a meeting of the men of the American community which I had previously called and communicated to them the information that I had been able to gather, and strongly advised them to prepare to send their women and children out of the city on the following day. This they appeared very loath to do, not considering the situation sufficiently to warrant such action. In the midst of the discussion a letter was brought in stating that Mr. Wilkinson, the British Consul, had notified his nationals that the Viceroy had committed suicide and that all British women and children should come to the consulate prepared to leave the city as early as possible on the following morning. The situation appeared so serious that I immediately advised all present to collect their women and children (about 75 in all) and bring them to the consulate at once, where they could be protected until morning. I left the Mission premises post haste for the consulate where I instructed the signal men from the NEW ORLEANS to prepare to send signals to the ship upon further notification from me,and endeavored to communicate with the British Consul by telephone. After some little delay I was able to get in connection with him and inquired as to the reliability of his information. He informed me that one of his nationals had brought him the news at 4 P. M., and that at [illegible] P. M. he had been able to get into communication by telephone with the Commissioner of Foreign Affairs, Wang Chia-tang, who had confirmed the statement. As I had been with the Viceroy myself from 4 to 6 I had every reason to believe that the report was untrue. I immediately communicated with the Viceroy's yamen and told them that I desired to converse with the Viceroy when I was informed that he was sleeping, which convinced me that his rumored suicide was unfounded. I immediately took my carriage and drove back to the various mission premises, from 3 to 5 miles distant, to allay any panic, and informed them that I did not consider it necessary for them to bring their women and children to the consulate until the morning, but that my previous advice to them to leave the city still held good and I hoped they would comply therewith. On my return journey to the consulate I found two families in transit to my house and placing the women and children in my carriage I returned myself in a rickshaw with the husbands and some of the Children. We met with no opposition.

During the night signalmen were kept on duty and any sign of trouble immediately reported to me. A large fire was discovered in the city, near the Viceroy's yamen and it was first thought that this had been burned, but we finally discovered it was a large pawnshop nearby. At 5:30 A. M. heavy musket firing was heard in the direction of the Viceroy's yamen and reports came that the jails had been opened and convicts released. I immediately sent a note to my Vice Consul, Mr. A. W. Gilbert, who was resident with some of the missionaries in the Methodist Compound, directing him to order all women and children to come to the consulate if the report was true, and started myself to get a messenger through to the NEW ORLEANS calling for a landing party. I got communication with a Chinese shop at Hsiakuan by telephone and asked them to communicate with the ship and give them my message. I then went to the British Consulate and requested him to communicate the same information to the Commander of the NEW ORLEANS through his signalmen, and went on myself to the railway gate to see if a party would be allowed to enter. I found the gate tightly closed and no one allowed entrance or exit. In the meantime I had also seen the German consul, and fearing the gates would be closed he had gone on my advice to General Chang to obtain a permit for the landing parties to enter.

On my return to the consulate I found the German Consul had been successful in seeing General Chang who was at the time in consultation at his yamen with the Viceroy and Tartar General all of whom the Consul had seen. He had quoted my conversation of the previous day and they all agreed to allow the parties to enter and sent a guard with him with instructions to the gatekeepers and guards to open the gates upon their arrival. I also found a note at the consulate from Mr. Gilbert, my vice consul, to whom I had intrusted what I considered one of the most important portions of the work necessary, the collecting of the women and children and sending them to the consulate. This note said, "I have communicated the contents of your letter to the missionaries. Some one will be down to see you in the course of the morning." Seeing that dependence upon him was entirely out of the question, I immediately left for the mission properties, where I saw the men and women and instructed them to get together at the consulate as soon as possible. At the Presbyterian Mission I found Mrs. Rowe with a sick infant so put them in my closed carriage and brought them to the Consulate.

Returning to the Consulate I found some few persons congregated there and others coming. While out in the mission district I met Mr. Gilbert and asked him what action he had taken to get people to the consulate, and he told me no one seemed inclined to go and said, "I will not take my wife and children down." I thereupon ordered him to get his wife and children and bring them to the consulate at once, as I needed him there. Finding that the landing parties had not reached the consulate I immediately started for the railway gate and arrived there in time to see them enter. 20 sailors from the NEW ORLEANS coming to the American Consulate, 10 German sailors to the German consulate, and 10 British to their consulate. Before returning I went to the latter place and found all British women and children, about 18 in all, congregated there ready to leave the city. Their departure was superintended by the British consul, and they were all taken outside the city during the course of the day with the exception of the Consul's family.

During the morning and afternoon 35 American women and 32 children congregated at the American consulate, where they were accomodated as well as possible, and upon a further application to the Commander of the NEW ORLEANS a larger guard of 80 sailors was sent up and were placed about the consulate. Altogether 111 sailors were landed, a few returned to the ship during the afternoon, but the majority remained until the 9th inst.

On the 8th inst. I received a despatch from the Commander of the NEW ORLEANS instructing me to get all the women and children out of the city that night, but as the city gates were closed and locked this proceedure did not seem advisable and I so informed him.

I sent the telegram a copy of which is attached (Enclosure No. 1) to the Department, Legation and Consul General at Shanghai, and spent the night in watching events and planning for the morrow.

At 5 on the morning of the 9th I began getting a party together to leave for Hsiakuan and thence to Shanghai. Accompanied by a guard of sailors this party
party consisting of 3 adults and 5 children, with 18 native Chinese schoolgirls left the consulate at

6 A. M.

6 A. M., I having personally gone into the streets and secured rickshaws for their transportation. I went ahead in my carriage to the gate which I found strongly barred and locked. I discovered the whereabouts of the captain of the guard and after some difficulty persuaded him to allow the party to get through the gate. I accompanied them to the railway station, superintended the purchase of their tickets, checking of their baggage etc. and saw them safely on the train. I was able to make satisfactory arrangements, and obtain special privileges for them from the railway officials due to personal acquaintance with the British official who had been sent from Shanghai by the head office to superintend traffic at this critical time. I also arranged with this official for a special car to be reserved for a party to depart by the regular 1:05 train.

I then went aboard the NEW ORLEANS and consulted with the Commander as to the best methods of persuading the other Americans to leave. I also endeavored to secure a special train to run into the city on the local city railway line which had stopped running, but found the railway in the hands of the Imperialist troops and was unable to make the arrangements, all officials connected with the railway having fled. I returned to the consulate, and was informed in passing through the gate that it would be left open until four in the afternoon.

Immediately upon my return I issued the following notice to Americans (Enclosure No. 3).

Instead of being met with cooperation as I had hoped and expected I was met with antagonism on the part of a number of the missionaries which greatly hampered me in getting the women and children away. I was told that a delegation had left the American Methodist compound and would wait upon me during the morning to discuss the advisability of sending the women and children away, and that no one would leave until this party arrived. My notice was posted at 9:15, but owing to the delay made by the oppositionists no party was able to leave the consulate until 12 o'clock. It had been my intention to send parties at 10, 11 and 12 o'clock, in order to get the people away, and so we could avail ourselves of the opportunity given by the opening of the gates to convey these people to Hsiakuan in vehicles. I feared that the gates might be closed again at any time, and that we would have had to take the women out by the railway gate which would have made it practically impossible to carry baggage with them and involved a walk of nearly two miles along the railway tracks.

On arrival of the delegation the matter was placed before them by me in the most straightforward manner. I pointed out the danger that was imminent and called upon them to assist me in endeavoring to care for these women and children, and also told of my fears that the gates might be closed at any time. The opposition appeared to be led by Mr. A. J. Bowen of the Methodist Episcopal Mission, assisted by Mr. A. A. Bullock of the Presbyterian Mission and Mr.

F. G. Henke

F. G. Henke of the Methodist Episcopal Mission. The The language used by these gentlemen to the consul and their entire attitude was not only entirely uncalled for but at times bordering on the insolent. They insisted on discussing the matter at great length, and it was only by the use of the greatest self control that I was able to keep my temper, which I was fortunately able to do. By this discussion the movement of the parties was delayed for two hours, by which time the city gates had been closed as I had feared would be the case, and it became a question as to the possibility of getting them away in any manner. I consider that much of the delay was also caused by the insubordinate attitude of Mr. Gilbert, the Vice Consul at this port, who should have ably seconded the efforts of the consul instead of opposing him at such a critical period. His manner was most strongly commented upon by the Commander of the NEW ORLEANS and the naval officers present at the consulate, who said had he been a naval officer he would have been put under arrest for insubordination. After this lengthy discussion of affairs, which under the circumstances and in the crisis was entirely unnecessary, I finally gained my point and the men instructed their wives to prepare to leave the city. I might mention the fact that after Mr. Bowen had declared that it was his intention to take his wife back to his residence and remain there, I felt it incumbent to explain to him that if he insisted upon this course I would feel it my duty to report the fact, with his name, to the State Department and ask for the recall of his passport. When asked if this was a threat, I explained that it was not so intended but was merely to explain the method I would persue if such action was taken.

I might mention that Bishop Bashford's instructions to his missionaries to obey the orders of the consul were so definite, that I felt justified in taking such suggested action if Mr. Bowen persisted in his proposed course, especially as by doing so he would have had an influence on other persons which might have endangered the lives of women and children under my jurisdiction and for whom I felt that I was responsible.

Most of the work of collecting rickshaws, carriages etc. for transportation I had to arrange for in person as the missionaries seemed unable to secure vehicles. A party was taken out at the gate at 12, under my personal supervision, and by my personal efforts, another party at 2 and a fourth party at 3:30. On each of these occasions I was obliged to have long interviews with the captain of the guard at the gate before he would open to them, and it was only by my exceptional efforts and with my knowledge of Chinese that I was able to accomplish this. On each occasion passage had to be kept free through from 1000 to 2000 Chinese who had collected at the gate and all of whom were trying to join the missionary parties in getting out of the city. These crowds were only kept back by the assistance of the armed guards at the gate, and the armed guards from the NEW ORLEANS who accompanied the party, under the command of the Captain of the gate guard and myself both of whom were armed with pistols. With the first three parties I was able to get their vehicles out with them which conveyed them, with their baggage to the railway station and river hulks, but with the last party this was not allowed and all had to walk through the gates carrying their baggage with them, the guards from the NEW ORLEANS ably assisting in carrying the baggage as well as assisting the women and children.

By getting a messenger through the gate with the first party I was also able to communicate with the agents of Butterfield and Swire who had a steamer leaving for Shanghai, and got them to hold the ship from 11 A. M. until 5 P. M. so that all women and children could find accomodation and transportation to Shanghai.

Altogether about 75 women and children, 15 men, and about 200 Chinese native school girls and women attached to the missions were passed through the gate by me in person, and so far as I have been able to discover all got away safely to Shanghai.

It should be noted by me that I had secured a pass from General Chang, Commander of the Imperial Troops, instructing the gate keeper to allow one man to pass out to secure provisions, and that the German consul with a similar pass was unable to get two officers through at a time while with the same pass by my personal efforts I secured the safe passage of about 300 missionary women and children with their native schools.

I have to-day sent you the following telegram which is hereby confirmed, through the kindness of the commander of the U.S.S. NEW ORLEANS.

This morning about 15,000 persons passed through one gate during the hour it was opened, and another 15,000 were turned back and have returned to the populated portion of the city. A report was current that the Customs Taotai's yamen had been burned, but upon personal investigation in the city I discovered this was erroneous and that an accidental fire had consumed about 10 of the better class shops in the city. In a drive about the city this morning I found everything comparatively quiet, barracades having been placed across some of the main streets, and no entrance being possible into the Tartar City. The electric light plant stopped working last night.

I have requested General Chang to supply guards to protect American property, and have sent the following notice to the American men in the city. (Enclosure No.)

Desultory firing has been going on at intervals for three days but no definite news has been obtainable up to the present time.

Enclosure No. I.

State Department, Legation and Consul General at Shanghai through kindness of commanding officer U.S.S. New Orleans for transmission to Admiral Murdock at Shanghai.

Fighting now taking place at Nanking. General Chang has taken charge and it is reported has given refuge to Viceroy in his Yamen. Revolutionary proclamations posted in the city calling on people to join with them and exterminate Manchus signed by Hsu supposed to be General of 33rd and 34th regiments who are now outside South Gate and are supposed to be endeavoring to gain entrance there. All gates have been closed. I have brought American women and children to consulate where they are now being guarded by a landing force of 111 sailors sent to consulate by New Orleans. Access to native portion of city is refused to foreigners. Battle is expected outside South Gate at four to-day.

Signed Gracey.

(COPY)

November 9, 1911.

Your attention is called to the fact that a consultation has been held this morning between the Commander of the U.S.S. New Orleans, Senior American Naval Officer at Nanking and the Consul, and in view of the condition of affairs inside and outside the city it is considered necessary to instruct all women and children to leave the city as soon as possible.

Arrangements have been made for all ladies and children who wish to do so to leave for Shanghai by the train at 1:05 and accomodations have been reserved thereon. It is hoped that as many as possible will avail themselves of this opportunity, as it is not considered that Hsiakuan is by any means a safe place of refuge.

Your attention is called to the fact that your consul has obtained for you very exceptional concessions from the Chinese authorities, the Viceroy and Commander of the troops having agreed to allow foreign sailors to enter the city for your protection temporarily, a most unusual proceeding.

This landing force cannot remain at the Consulate langer than is absolutely necessary as will be noted by the notice sent to the American Community by the Commander of the New Orleans.

It is hoped that none of the ladies will decline to follow the instructions of the commander and the consul, as by so doing they will not only greatly embarass them, but as well as the naval authorities in Washington and the United States Government, and make protection in the future doubly difficult.

Adequate arrangements are being made to get the ladies and children out of the city during the of the morning, and those having women, girls, or orphans dependent upon them should bring them with them if they feel it necessary to do so, and take them out of the city.

The cooperation and assistance of all in carrying these instructions will be appreciated.

At the present time the gates to Hsiakuan have been opened temporarily, but it is not known when they will be again closed, and it therefore seems advisable to avail ourselves of this opportunity.

American Consul.

(COPY)

AMERICAN CONSULAR SERVICE.

No. 152. Nanking, China, December 5, 1911.

Subject:- Capture of Nanking.

W. J. Calhoun, Esquire,
American Minister,
Peking.

Sir:

In continuation of my recent despatches relative to conditions in this district I have the honor to submit the following report regarding the capture of Nanking.

On November 30, the revolutionary troops captured Purple Hill outside the East Gate, this being the key to the situation.

General Hsu's troops numbering about 6000 were located south of Purple Hill at Mo Chun, General Ku's regiment held the space between Purple Hill and Tiger Hill at Yao Hwa Men, General Li continuing his bombardment of Licn Hill from the Tiger Hill forts, and General Liu concentrating his efforts on Yu Hwa Tai outside the South Gate.

During the 30th General Ku with his "dare to die" troops attacked Purple Mountain from the North, personally leading the attack with Colonel Hwang assisting. They were supported by General Hsu from the southern side of Purple Hill, and after heavy fighting Ku captured the forts, whereupon he withdrew with his troops to Yao hwa men leaving General Ling in charge, the latter afterwards claiming the victory.

As far as can be discovered 11 revolutionists were killed and about 75 wounded, while the Imperialists lost 50 killed, the number of wounded being unknown.

A company in charge of one of the guns agreed to surrender, but upon the approach of the revolutionaries opened fire. General Hsu's troops coming over the hill captured these men from the rear, 19 in all, who were brought to Yao hwa men and executed there the following day.

On December 1 two large field guns, four point seven in size, arrived from Shanghai and were planted on a spur of purple mountain, opening a heavy fire on Tai ping gate and the fort nearby, which continued all morning. By the use of these guns, two more of which arrived in the afternoon of the same day, the fate of Nanking was sealed and the Imperialists had no course except to surrender or escape. During the afternoon Vice Consul Gilbert, accompanied by Mr. Bowen of the Methodist University and Tsao, a former friend of General Chang hsun, came outside the city carrying the American flag as a flag of truce, as well as a white flag. They passed the outlying troops and met a company stationed at the foot of Purple hill. Staff officers were caled by the officer in charge of the company, and a conference held. Apparently certain despatches were presented by the party which were received and answered, and it was stated to a foreigner present that a truce had been arranged to last until 8 A.M. the following morning.

It appears that on several previous occasions General

Chang hsun had sent parties out with white flags of truce, and upon the approach of the revolutionists opened fire on them, so that the American flag was actually considered by the revolutionists as one which they must respect or else incur the enmity of a foreign nation.

During the night Chang hsun escaped from the city, apparently crossed the river about 12 miles above Nanking with approximately 4000 of his troops, and on arrival at Chuchow took train for Peking via the Tientsin Pukow railway, some of his troops accompanying him. As the wires have been cut beyond that place no news can be obtained of his present whereabouts.

On the morning of the 2nd it appears Mr. Gilbert accompanied by Mr. Garrett and a Britishes Dr. Macklin went out the Tai ping gate carrying the American flag and white flag as before, and notified General Ling of the surrender of the city. Colonel Chao, who had apparently become a General on the flight of Chang hsun, turned over the city to General Ling, his troops went outside the walls and laid down their arms, the revolutionary troops entering the city soon afterwards through the Taiping gate.

It also appears that while this party were parleying outside the Taiping gate, General Li's troops from Tiger Hill fort had already entered the city from the North gate. It semms to be generally believed that Colonel Yang in charge of Lion hill forts had agreed some days previously to hand over to the revolutionists whenever they desired to enter by the South gate, if they would guarantee the protection of Tieh liang, his chief, and upon the escape of the latter he turned over the fort without further fighting.

The Viceroy and Tartar General, Tieh liang, apparently fled on the same night as Chang hsun, but their whereabouts is unknown, it being generally believed that they took refuge on a Japanese cruiser then anchored above Nanking, which sailed the following day for Shanghai in transit to Japan, having, according to information given to Captain Jackson of the "Albany", "finished its cruise in China".

Mr. Gilbert's despatches of December 1 and 2 give his statement of affairs outside thecity, and the enclosed newspaper clippings gives a similar account by Mr. Bowen.

I would call the Department's and Legation's attention to the fact that though the "enemy was demoralized- and most of the officers only too willing to admit it" and the party planning to "mediate" were "rather staggered by the proposals to be made to the victorious army" yet they took it upon themselves to interfere at a critical time, using the American flag assa protection, and also to the fact that after Chang hsun had refused to accept the terms and had fled they considered it advisable to again take part in this purely Chinese affair and take out the news of the surrender of the city.

It appears to me that Mr. Gilbert's actions at this time were very unwise and unnecessary, even if not a breach of neutrality, and especially as he acted in his official capacity as a Government official, or as Vice Consul in Charge representing the American government, and flying the American flag. In view of the position of the United States Government as one of the strictest neutrality it appears that this action was unfortunate and liable to reflect against the government, and was uncalled for, as the capture of the city was practically accomplished, more particularly perhaps in the second days trip when Chang hsun had fled, the remaining offici-

officials being willing to surrender, and no danger to American life or property being imminent.

An immediate result of this action is shown by statements made to me by Mr. Hunt, a British gentleman who had some conversation with the revolutionary troops after their arrival in the city. On making enquiries as to the whereabouts of Chang hsun he was informed that "with the assistance of you foreigners he has escaped". While this in itself may not be important, and while the leaders themselves may not give voice thereto, it shows that amongst the troops there is some feeling that Americans have unwarrantedly interfered in purely Chinese affairs.

I have the honor to be, Sir,
Your obedient servant,
(Signed) Wilbur Gracey
American Consul.

Enclosure:-
Newspaper clipping as above.

AMERICAN LEGATION,
PEKING.

Peking,

No. 374. December 13, 1911.

Ack. by card Jany. 20/12

The Honorable
The Secretary of State,
Washington.

Sir:

At the request of the Foreign Office, I have the honor to enclose herewith, in duplicate, translation of an Imperial Edict issued on December 6, 1911, with reference to the resignation of the Prince Regent.

I have the honor to be, Sir,

Your obedient servant,

Sgd W. J. Calhoun

Enclosure:

Imperial Edict, December 6, 1911.

Edict of December 6, 1911.

The Prince Regent has received in person the following Edict of the Empress Dowager, Lung Yü:

The Prince Regent has memorialised saying that he has now acted as Prince Regent for three years, and that in his management of the government and in the employment of officials he has acted contrary to the popular wishes. In introducing Constitutional government his efforts have been futile and insincere. Abuses have therefore accumulated, and the opinion of all is that the calamitous condition of the country is due to the faults of one man, who has brought misery upon all. It is too late to repent. If power is still entrusted to him, and if he does not retire, the confidence of the people will be lost. Although in acting as Regent, he might exert himself anew, he could hardly hope to remedy his faults. So, weeping, he begs to resign his position as Regent and no longer concern himself with affairs of government. This he asks in perfect sincerity.

We (the Empress Dowager) have dwelt in the depths of the Palace, and have not been cognizant of important events. But since the commencement of the troubles at Wu Ch'ang and Hankow there have been outcries from all the provinces and calamities from military operations, and sores and ulcers have everywhere met the eye. The commerce of friendly nations has also been affected. In thinking of all this we have been unable to sleep or eat in peace. It is of the highest importance to examine into both internal and external conditions and determine upon a plan which will restore peace to the nation. The character of the Prince Regent is generous, and he has been careful and painstaking. Although he has tried to govern well and to change methods, he has been deceived by others, to the injury of all. His request ought to be granted, and he is allowed to resign his position as Prince Regent. He will return his seal to be destroyed and will retire to his palace with his rank as Prince of Ch'un and take no further part in the government. He is granted an annual pension of Fifty Thousand Taels to be paid out of the Privy Purse. Hereafter the whole responsibility of appointing officials and carrying on the government will rest upon the Prime Minister and the Ministers of State. When edicts are to be issued the Prime Minister will ask for the Imperial Seal to be used, and ceremonial audiences will be held by Us and the Emperor together. In his youth the sacred person of the Emperor must be especially protected. Shih Hsü and Hsü Shih-ch'ang are appointed Guardians and will protect His Majesty to the best of their ability.

At present there are difficulties on every side, and the empire is in danger. All the princes and nobles should share with Us good and ill fortune. Let them all reflect on the difficulties of the time, respect the clan law, restrain selfishness, and not overstep their limits. All the ministers should realize their responsibilities and be just, patriotic, and pure, and earnestly remedy abuses so as to profit the nation and bring happiness to the people. All of you, my people, should comprehend that the Throne is not selfishly conserving the powers of the Sovereign, but is unreservedly cha changing all things for the people. You should all observe the rules of precedence, peacefully follow your avocations, and so avoid the calamities that result from strife and division. Thus We may attain to glorious and harmonious government. This is Our fervent hope.

AMERICAN LEGATION,
PEKING.

Peking,
No. 382. December 23, 1911.

The Honorable
The Secretary of State,
Washington.

Sir:

I have the honor to enclose herewith copies in duplicate of reports brought by refugees from the interior describing conditions at various places in the provinces of Shensi and Shansi, which were forwarded to the Legation by the Consul General at Tientsin.

I have the honor to be, Sir,
Your obedient servant,

Sgd W.J.C

Enclosures:

Reports from refugees, as stated.

Statement of Mr. K. McCoy regarding the troubles in Shansi Province.

Two or three days previous to the outbreak the troops had received orders to proceed to P'ing Yang Fu in the southern part of the provinse, but their ammunition was not given them until the afternoon of the 28th of October. The foreign community received their first warning of a possible outbreak on Friday night, October 27th. They were all advised to assemble in one place for protection. At three a. m. on the 29th a further warning was given to a member of the community that an attack on the Manchus would take place at the break of day. The troops having received their ammunition were then in a position to decide definitely upon their attack. Their first idea was to make their attack on Monday, the thirtieth. After the city gates were opened the troops, in place of going to P'ing Yang Fu, marched into the city in two bodies. One of these bodies proceeded in the direction of the Manchu City and the other to the Governor's Yamen.

About half of the foreign community was assembled at this time at the Chinese Woman's Hospital belonging to the English Baptist Mission, and the remainder (all missionaries) were in the houses of the mission doctors, within two hundred yards of the Hospital. Mr. McCoy and the postmaster, Mr. Rose, had just finished putting up a staging at the south wall of the hospital compound and were looking toward the Manchu City when the first shot was fired, as before stated, at six thirty a. m.

Within a few seconds a terrific volleying commenced. Bullets were passing over the hospital compound in great numbers. The fighting was between the Manchu City and the troops who had apparently ascended the south wall of the City, near the south-east corner. There seemed at first to be no intention on the part of the revolutionaries to commit any massacres, but merely to frighten the Manchu garrison out of their Quarter. About all of the inhabitants of the Manchu City except the soldiers themselves escaped, some through the East Gate of the main city, some through the North Gate of the Manchu City, and some scattered to the houses of friends in the city itself.

A few minutes after the commencement of the firing as noted above a terrific volleying began in the vicinity of the Governor's Yamen, at a greater distance from the Mission compound. It should be here stated that three of the professors of the University had remained there, the University being situated near the south wall of the City and three or four hundred yards distant from the Manchu City, which is a little north and north-east. The mission compounds were still further north of the Manchu City and a little to the west.

The looting of the Manchu City began at about eleven, during the firing. Heavy firing stopped about one o'clock in the afternoon. Exactly twelve minutes after the firing had commenced in the early morning a guard of some twenty-five revolutionary soldiers arrived at the gate of the compound and stated that they had come to afford protection to the foreigners. At no time during the fighting were the foreigners in any danger from either soldiers or looters. The latter, it may be stated, were the Chinese inhabitants of the city and were sanctioned in their plundering of the Manchu City, except that when in possession of arms or munitions of war these were commandeered by the revolutionaries.

Three or four days after the beginning of hostilities revolutionary proclamations were posted stating that all Manchus would be protected. The destitute were even afforded means of sustenance.

In the course of that first day, Sunday, the 29th, the foreigners were informed that the headquarters of the revolutionary party were located in the Provincial Assembly and that a Civil and a Military Governor had been elected, the former named Tu and the latter Yen.

The looting of the Manchu City continued all day and about seven in the evening a blaze announced the burning of the Yamen of the Provincial Treasurer, from which time conflagrations burst out in all parts of the city, but principally in the western and southern parts, the houses burned being indiscriminately official residences, cash shops and private dwellings. The destruction was apparently quite wanton. Many soldiers discarded their uniforms and fled with their loot.

It is known that one hundred and thirty thousand taels were looted by the rabble out of the Provincial Treasury and presumably a large part of this is buried in the city, as no noticeable amount was observed to leave. Orders were issued by the Military Governor at two in the morning of the 30th to stop looting and to shoot looters. This put a stop to looting very effectually.

The administration of the new Government seemed effective and order was maintained. Numbers of the inhabitants fled from the city and the price of provisions rose, but the latter was remedied by the Revolutionary Government which fixed an arbitrary price for most commodities. The new Government also issued dollar notes, but these were not readily accepted by the people and passed at about a fifth of their nominal value.

Apart from the natural consequences of the transfer of authority and the fear of Manchu reprisals when their troops take the city everything is proceeding very smoothly. Contributions for the support of the new Government are levied, often by force, from the different prefectures in the surrounding region and the troops are being paid in full and remain, in spite of rumors that they would, in turn, revolt against the Provincial Assembly.

The revolutionaries assumed immediate control of the railway, and troops are stationed at the important passes leading into the province in anticipation of Imperialist efforts to regain possession of the same.

The attitude of the new Government is probably that while it is bound by a semi-formal agreement with the revolting provinces in the south, it is, for its own part, quite ready to accept any reasonable terms which the Imperial Government may be willing to accede to, including a constitutional monarchy. The essential point is that local autonomy, to the extent recognized in modern constitutional government shall be guaranteed. They even state that the members of the Government are quite indifferent as to who occupies the Throne, Chinese, Manchu, or foreigner, inasmuch as this will have little connection, under the new proposed form of government, with their local affairs.

The desire is on the part of the Revolutionary Government for peace on the lines indicated above.

Peking,

No. 386

December 26, 1911.

The Honorable

The Secretary of State,

Washington.

Sir:

I have the honor to send enclosed a translation of a Note from the Chinese Foreign Office calling attention to the Agreement made with the Foreign Powers in 1901 that a Prince or Duke of the Imperial Family should be at the head of the Office of Foreign Affairs and to the recent Imperial Edict approving the recommendation of the Provisional National Assembly that no member of the Imperial Family should serve as Prime Minister or as a Minister of State.

The Foreign Office therefore requests me to notify the American Government as one of the Powers signatory to the Protocol of 1901 that the Wai Wu Pu, or Office of Foreign Affairs, has been reorganised in accordance with the edict just mentioned and asks that the American Government will consent to the change, which though not literally in accord with the Agreement of 1901 nevertheless accomplishes the real purpose of that Agreement which was to emphasise the importance of the foreign relations of China and have one Minister of proper standing responsible for the conduct of foreign affairs.

In view of the great changes which are taking place in China and particularly of the disappearance of the disposition to ignore foreign affairs which characterized the Peking Government previous to 1900, I have the honor to recommend that the American Government acquiesce in the change.

I have the honor to be, Sir,

Your obedient servant,

Sgd. W. J. Calhoun

Enclosure:

As above stated.

From F. O. No. 169.

His Excellency Hu Wei-te, Acting Minister for Foreign Affairs to Minister Calhoun.

December 21, 1911.

Sir:

On the 5th day of the 3rd moon of the 27th year of Kuanghsü (April 23, 1901) a note was received from the Dean of the Diplomatic Body in which attention was called to the fact that His Imperial Majesty had consented to the terms of Article XII. of the Protocol, in which it was stipulated that the Tsungli Yamen must be reorganized. It is remarked that the Tsungli Yamen has shown itself incapable of fulfilling its proper functions and it must be reformed; that a Minister should be at the head of the Office of Foreign Affairs who should be a Prince or Duke of the Imperial Family, whose title should be President of the Office of Foreign Affairs; that there should be two assistants, in all three officials, who should have exclusive charge of all direct communications with the foreign ministers. It is said that questions relating to foreign affairs must be settled in the name and by the authority of His Imperial Majesty, as questions of the first importance, and that formerly the standing of the Foreign Office was not adequate to express such authority. It is said that the Office of Foreign Affairs should take the precedence of all six Boards.

On the 9th day of the 6th moon of the same year (July 24, 1901) an Imperial Edict was issued changing the Tsungli Yamen to the Board of Foreign Affairs (Wai Wu Pu), and appointing the Prince of Ch'ing to be the President of the Board of Foreign Affairs.

This was duly carried into effect.

On the 11th day of the 9th moon of the present year (November 1, 1911) an Imperial Edict was issued dismissing the Prince of Ch'ing from position of Prime Minister and appointing Yuan Shih-k'ai to take his place, and ordering the latter to come to Peking immediately and organize a responsible cabinet and take measures for reforming the government.

On the 13th day of the 9th moon (November 3, 1911) the National Assembly (Tzu Cheng Yuan) memorialized requesting that the best principles of a Constitutional Monarchy should be adopted and proposing nineteen articles embodying the most important constitutional guaranties, in regard to which it was requested that an oath might be taken in the Ancestral Temple and a proclamation issued to the People, in order to make firm the foundation of the Empire and safeguard the Imperial Family. In the 8th of these articles it was stipulated that the Prime Minister should be elected by the National Parliament and be appointed by His Majesty the Emperor, and that the other Ministers of State should be nominated by the Prime Minister and appointed by His Majesty the Emperor; also that no member of the Imperial Family could serve as Prime Minister or Minister of State, or as a higher official in the Provincial Administration.

On the same day an Imperial Edict was issued in the following terms:

"The National Assembly has memorialized proposing nineteen articles embodying the most important guarantees of constitutional reform. They are hereby granted."

On the 19th day of the 9th moon (November 9, 1911) an Imperial Edict was issued in the following terms:

"The National Assembly has memorialized that in accordance with the provisions of the Constitutional Guarantees the Assembly has elected a Prime Minister. We, in conformity with the provisions of Article VIII. of the Constitutional Guarantees now appoint Yuan Shih-k'ai as Prime Minister."

On the 26th day of the 9th moon an Imperial Edict was issued as follows:

"Yuan Shih-k'ai has verbally memorialized that he has organized the Cabinet by nominating the Ministers of State. Liang Tun-yen is now appointed

Minister for Foreign Affairs. Until he arrives at his post Hu Wei-te will act for him".

On the same day another Imperial Edict was issued as follows:

"Yuan Shih-k'ai asks for the appointment of the Vice Minister of the different Ministries. Hu Wei-te is appointed Vice Minister for Foreign Affairs. As he is now Acting Minister Ts'ao Ju-lin is appointed Acting Vice Minister for Foreign Affairs."

On the 6th day of the 10th moon (November 26, 1911) the Prince Regent, acting for His Majesty the Emperor, in the sacrificial ceremony took oath to the Constitutional Guarantees in the Ancestral Temple. In the oath taken it is said that making wide selections from the best practice of other countries where constitutional government prevails, it is found that Princes and Nobles should not take part in the Government. The Guarantees are granted and will be put into effect. They should be respected by all officials, common people and the soldiery and will remain in force throughout all future generations. The Articles of Constitutional

Guaranty have also been printed on yellow paper and proclaimed to the people of the Empire.

A really responsible Cabinet has been organized. Members of the Imperial Family will not again meddle in affairs of government. To be consistent in carrying out the principles of Constitutional Government it is necessary to change the arrangement by which an Imperial Prince acted as President of a Ministry.

Moreover the Cabinet is formed of the heads of the Ministries and the Ministry of Foreign Affairs still takes the precedence of the other Ministries, and now there is one Minister for Foreign Affairs and one Vice Minister for Foreign Affairs, the Minister for Foreign Affairs being a Minister of State with special duties, the responsibility will be centred in one man. This is not inconsistent with the language of the Dean's note of the 27th year of Kuanghsü (1901) in regard to his having the necessary authority, and it makes for efficiency in the conduct of all business.

But this is a matter that concerns treaty obligations and it is proper to notify all the governments with whom this treaty was drawn up in that year (1901), to ask their consent.

Therefore I now notify You, Sir, and ask that you will notify your Government, requesting that after considering the matter it may give its consent, so that we may carry on the constitutional reform in accordance with the Constitutional Guarantees.

I ask for a reply.

A necessary despatch.

Seal of the Wai Wu Pu.

Sub. Controversy between Am. and British Consuls at Canton

AMERICAN LEGATION,
PEKING.

Ref. ....

Ind. Jan. 2. 1912

Peking,

No. 387. December 29, 1911.

The Honorable
The Secretary of State,
Washington.

Sir:

I have the honor to report that on November 12, 1911, this Legation received from Mr. Bergholz, American Consul General at Canton, a despatch bearing his consulate number 445 and dated November 1, 1911, a copy of which, he said, had been forwarded to the Department, to which copy I beg to refer.

On November 16, 1911, this Legation received another despatch from Mr. Bergholz, bearing his consulate number 446 and dated November 6, 1911. This despatch does not indicate that any copy of it was forwarded to the Department. I therefore enclose herewith a copy of the same.

On November 20, 1911, this Legation received still another despatch, with enclosures, from Mr.

Bergholz, bearing his consulate number 448 and dated November 10, 1911. In this despatch it is stated that a copy of the same, with the enclosures, had been sent the Department; to which copy I beg to refer.

In these several despatches Mr. Bergholz makes complaint against his colleague, Mr. J. W. Jamieson, the British Consul General at Canton, charging the latter with grave discourtesy towards him, et cetera. His despatches show that a bad state of feeling exists between them, which clouds their personal relations and prevents harmonious official action.

This controversy has been brought to the attention of the British Minister also. It is very unfortunate that it exists, especially at this particular time, when harmony between all foreigners is desirable. It ought not to be allowed to continue, for fear it may result in a misunderstanding between the two governments.

I am disposed to favor my own nationals, and will be quick to uphold them in any controversy wherein their rights or personal honor, or the rights or honor of their country, are involved. But I deem it equally my duty to carefully sift the facts and to determine whether or not they have been right or wrong, and to decide for them or against them, as the facts justify. In this instance, I have gone over the record very carefully, and beg to submit the following observation.

As above stated, this controversy has been brought to the attention of the British Minister, presumably by Mr. Jamieson, and, it appears, by Mr. Bergholz himself. Some days ago I spoke to Sir John Jordan in an informal way about it. He admitted knowledge of it. He deprecated the fact that any dispute or ill-feeling should exist between these consuls. He said that while Mr. Jamieson was a very efficient and competent official, yet he was known to be, at times, somewhat disagreeable in manner. Sir John said he had written him directing him to avoid controversies and to be more conciliatory in his manner. But Sir John also said that he understood our consul, Mr. Berghols, was not always agreeable in his manner and that he had a way of doing things calculated to irritate or offend. He surprised me by the further statement that sometime before the present controversy Mr. Berghols had written him, Sir John, complaining about some other trouble which had arisen between him and the British consul. Sir John therefore expressed the opinion that in all probability both parties were more or less to blame, and that personal ill-feeling gave color to the controversy.

A day or so later Sir John Jordan called on me and left with me a despatch which he had received from Mr. Berghols, bearing the latter's number 60,

S. C. and dated November 17, 1911. In this despatch Mr. Bergholz refers to the consular meeting of November 7th, which is also the subject of comment in his despatch number 448 to this Legation. A copy of this despatch sent to the British Minister is herewith enclosed. The enclosures accompanying it so far as they relate to the issue involved are the same as accompany the above-mentioned despatch number 448 to the Legation.

Waiving for the time being all question of personal ill-feeling, the issue involved seems to be as follows: I understand that the Canton or Shameen concession is divided into two parts, one of which is called the British, the other the French concession.

I also understand the British claim that what is known as their concession was ceded to them exclusively by lease in perpetuity. That the administration of the affairs of their concession, its police control, including measures for suppressing internal disorders or resisting external aggression, are entirely within their jurisdiction. That the location thereon of other foreigners is a matter of British sufferance, and has been allowed on such terms as in no wise avoid or limit the paramount British authority. And, therefore, in the present emergency neither the individual foreign consuls of other nationalities, nor the consular body, as a whole, have any right to intrude upon or to interfere with the exclusive prerogative of the British in matters of defence.

On the other hand, it would seem that some of the other consuls, especially Mr. Bergholz, think that inasmuch as the danger that now confronts or surrounds the concession involves all foreigners alike, it suggests or makes necessary that the consular body should also take measures for the common defence. To any such action the British Consul General apparently objects.

The first phase of the controversy is shown in Bergholz's despatch number 445, of November 1, 1911, wherein he recites the fact that he requested British consent to the landing of some American marines for the protection of his consulate and of such Americans as might seek refuge there. The fact that this was a request for British consent implies that Mr. Bergholz recognized the administrative and police authority of the British, otherwise he would have landed the marines without asking anybody's consent. His particular complaint in this regard seems to be that not only was consent refused, but such refusal was accompanied by a somewhat arrogant statement of the exclusive authority of the British and with a threat that if any such landing of marines was made, it would result in a "big fight." Mr. Bergholz further complains that the resources of the British for a defence are limited; and, in addition, that while the British have evidently drawn up a plan of defence, they have not submitted the same to him or to his Japanese or Portuguese colleagues. He also objects to the municipal council preparing, in conjunction with the British Consul General, a plan for a refuge for women and children of all nationalities, in case of an attack, without the knowledge or consent of the consular body.

The controversy suggests the following questions: (1) What authority do the British have over the concession? (2) Conceding British authority as paramount, was the manner of the British Consul General courteous in the way he asserted it to Mr. Bergholz? (3) Was the conduct of Mr. Bergholz in all respects proper or justified?

In considering the first question, there is little to be found in the archives or records of this Legation giving the history of this concession or defining the rights of the British or of other foreigners therein. We find a despatch of Mr. Williams, United States Minister, numbered 5 and dated March 12, 1859, addressed to Honorable Lewis Cass, Secretary of State, which bears on the subject. In this despatch Mr. Williams says that the location of foreign residences at Canton has been mostly left to the foreign merchants interested in the matter, and he further says that he understands that:

> " x x x the majority are in favor of an unoccupied spot of land made by the deposits from the river, measuring nearly fifty acres, and lying in front of the suburbs. If it is chosen it will be rented from the Chinese authorities by the English and French governments, the latter taking one fifth of the area, filled up and dyked above the level of high water, and then leased in conveniently sized lots. Though it will be to all intents a foreign settlement, no territorial jurisdiction will be exercised, and I believe that the lots will be open for all persons to rent x x x x x x x x x x x The Government of the United States could obtain a part of either place, for public

> purposes or the residence of its citizens, but as I had no reason to suppose that it wished a spot for the former object at Canton, now or at any future time, and it is ineligible for a naval depot, I have made no inquiries about the matter."

It is to be observed that Mr. Williams, in the foregoing, does not recite what had been done; he merely gives his understanding or opinion as to what will be done, and his statement cannot be taken as authority for the terms of the lease subsequently granted the British and French, or as evidencing what the rights of the other foreigners are in the leased premises. It is to be noted, however, that the United States made no effort to secure any part of the concession or any rights therein; and the interest of our representative in the proposition was so slight that, as he says, he "made no inquiries about the matter."

In the CHINA DIRECTORY AND CHRONICLE for 1911 this statement appears, page 1038, under the head of Canton, viz:

> "When the foreign merchants returned to Canton to establish trade after the capture of the city by the English at the close of 1857, they found the Factory and the buildings along the river in ruins. Recourse for accommodation was consequently had to warehouses on the Honam side of the river. Considerable discussion subsequently took place as to the selection of a site for a permanent British settlement, and it was eventually determined that an extensive mud flat known as Shameen should be filled in and appropriated. In 1859 an artificial island was created there, a canal constructed between the northern side of the site and the city, and solid and extensive embankments of masonry built. It took about two years to complete this undertaking, and cost no less than $325,000. Of this sum four-fifths were defrayed by the British, and one-fifth by the French Government, to whom a portion of the reclaimed land was given. Up to 1889 most of the French concession remained unutilised, but in that year a number of lots were sold and are now built upon."

It therefore appears that this concession was granted jointly, or in several parts, to the British and the French, respectively; that at considerable expense these governments filled in or raised up the location so as to make it inhabitable, and constructed sea walls, et cetera; and that the United States contributed nothing to the expense and was not a party to the lease or concession.

In this view of the case, it is, I think safe to assume that the British have some claim to exclusive police and administrative control over their part of the concession; that no other foreign nation has any right to interfere with that control or to exercise any like control, or to land military or naval forces therein; and that the consular body has likewise no police or other jurisdiction over the concession.

It follows, therefore, that, when the British Consul General asserted the superiority of the British prerogative, when he objected to the landing of American marines, and when he denied consular authority to devise or carry out plans for the defence of the concession, he was acting, technically at least, within his legal rights. The manner in which he asserted his superior prerogative may be a different question.

In troublesome times, such as now prevail, it is natural that foreigners of whatever nationality and wherever located in China, should feel a sense of danger and be concerned in measures for common defence. It was, therefore, natural that Mr. Berghols should be interested in this question, that he should feel some anxiety for the safety of his own people and of his consulate, that he should make inquiries of his British colleague as to what plans for the common defence had been prepared, that he should tender assistance, and that he should desire to be consulted as to the disposition of women and children of his nationality, in case the Chinese made an attack upon the concession.

It was churlish and ungracious on the part of the British Consul General to resent Mr. Bergholz's inquiries, or to deny him information, or to resent his offer of assistance, or to refuse consultation with him and the consular body, or to refuse previously to consult with him as to the disposition to be made, in case of an attack, of women and children, for whose safety he was so vitally interested.

It is equally reasonable to suppose that, if the British did not have an adequate force to protect the concession, as Mr. Bergholz seems to think they do not have, they would be glad to avail themselves of the assistance of other nationals. Under such circumstances it seems strange that the British Consul General acted with such resentful arrogance as he did in opposing the landing of American marines. It is pertinent to remark that we have not heard Mr. Jamieson's side of the story.

I am impressed with the thought that the controversy is engendered by some personal ill-feeling between these two officials. I have above noted the statement of the British Minister that these officials had some sort of personal trouble before this; that

Mr. Berghold assumed to write the British Minister direct about it - a procedure of doubtful propriety - and it is probable that, for this and other reasons, the British consul general has a grievance against Mr. Bergholz.

It is also possible that Mr. Bergholz thinks that the consular body has some authority in the premises, and that he, as senior consul, and his colleagues ought to be consulted as to plans for defence, et cetera. But the British Consul General is jealous of his national prerogative, and, feeling hostile to Mr. Bergholz, resented any action on the latter's part or on the part of the consular body which seemed to intrude upon that prerogative.

While the British Minister seemed to regret the unfortunate situation, he expressed no dissent from his consul's contention for paramount authority. I assume, from his manner, that he agreed with his consul in that regard. The only criticism he made was that Jamieson was not always tactful or conciliatory, a fault which he also imputed to Mr. Bergholz. In the absence of any other authority on the subject, and as a matter of first impression, I think neither Mr. Bergholz, as senior consul, nor the consular body had the right to assume control of defensive measures, or to interfere with the British authority.

The next incident to be noted is the circular of November 7th, to which Mr. Bergholz refers in his despatch number 448, a copy of which he has forwarded to the to the Department. I first call attention to the terms of the call for that meeting issued by Mr. Bergholz, which reads as follows:

> "In view of the possibility of an outbreak occurring within the city or an attack upon it by revolutionists, rendering necessary some united action by the gunboats within the harbor for the protection of the foreign community, it would seem wise to make use of the technical knowledge now at our disposal by inviting the Commanders of our respective gunboats to meet us at this Consulate tomorrow, Tuesday, at 4:00 P. M., to discuss measures to be taken for the common safety.
>
> "If you and the commanding officers of your gunboats will attend this meeting, kindly so signify opposite your names."

This call, by its terms, apparently contemplated making provision for action, if the necessity therefor arose, independent and distinct from any action to be taken by the British. The commanders of gunboats who were to be consulted, according to Mr. Bergholz's remarks recorded in the minutes of the meeting, were American, Japanese, German and Portuguese; no British commanders were to be included (Perhaps there were none in the harbor). And the purpose of this meeting was "to discuss measures to be taken for the common safety." In other words this notice, taken as it reads, clearly indicates the possible assumption by foreigners, other than British, of measures for suppression of disorders within the concession and for resistance to aggression from without. No reference is made to the British, no suggestion of assistance to them is offered, and no conference with them is proposed. It is clear that a call of this kind, circulated among the consuls, was well calculated to arouse British sensitiveness, and especially the anger of

Jamieson. Considering the latter's probable feelings toward Mr. Bergholz, it can be readily understood why he would not attend the meeting.

It is evident that this was the interpretation that Jamieson put upon the call for the meeting, because, in the note he sent his colleagues, other than Mr. Bergholz, notifying them he would not attend, he gave the following reason therefor:

> "It may surprise you to learn that before the Senior Consul sent out his circular of yesterday convening the meeting to discuss the defence of the British concession, for whose safety I am primarily responsible, he in no wise consulted me." (Enclosure No. 2, Despatch 448)

I am of the opinion that the British consul was justified in so interpreting the call. And if I am right in my estimate of the measure of his authority over the concession, then, I think courtesy to him required that he should have been consulted about the meeting before it was called.

When the consular meeting convened, pursuant to the aforesaid call, neither the British nor the French consul attended. In the minutes of the meeting some explanatory remarks made by Mr. Bergholz are recorded. He said that as there were American, Japanese, German and Portuguese gunboats in the harbor, with an available force of some three hundred or four hundred men,

> "it seemed wise to discuss some way by which, in case the British or French consuls should find themselves too hard pressed with the small force at their disposal, they might make use of these men for the common safety."

But as these consuls did not appear, it was useless to discuss the question. These minutes further show that it was the general sense of the meeting that, if the British and French consuls had appeared, and explained their defence scheme (of which the other consuls and the commanders of the gunboats were ignorant)

> " x x x and had consented to some steps being taken by the other gunboats to render aid if the necessity should arise, it would simplify the whole matter", et cetera.

According to this statement Mr. Bergholz apparently recognized and conceded the superior authority and primary responsibility of the British and French consuls. He stated the purpose of the meeting was only to discuss plans to aid them, "if they should find themselves too hard pressed," with the small force at their command. But the trouble is, as I see it, the call he circulated differs, in tenor and effect, from his remarks at the meeting. The call contemplated independent action. No suggestion of assistance is therein made. No recognition of British authority is expressed. And it was this apparent assumption of authority and proposed independent action that aroused the tender sensabilities of the British consul general.

The purpose of the meeting, as expressed by Mr. Bergholz in his aforesaid remarks, was perfectly proper; the situation probably required some such action. But, under the circumstances, I think it would have been wiser and more courteous to have first consulted the British official, or to have explained to him the purpose of the meeting. If a personal conference with him was not desirable, then the purpose of the meeting, as afterwards explained, should have been carefully and clearly stated in the call. If this had been done, it would have made a very bad record against Mr. Jamieson if he had refused to attend a meeting for such a legitimate purpose. As the record now stands, he is able to make a point against Mr. Bergholz.

Another cause for complaint is allged by Mr. Jamieson in his aforesaid note. He says:

> "It may surprise you to learn that the chit coolie who carried the circular around, was instructed to come to this consulate last, the intention manifestly being that you should not be influenced by any expression of my views."

Just how Mr. Jamieson learned of this alleged instruction is not stated. Mr. Bergholz does not deny its authenticity. It is to be inferred he did give such direction.

When the strained relation which exists between these two men is taken into consideration, it is to be inferred that Jamieson thought Bergholz, in giving such an instruction, intended first to commit all the other consuls to attend the meeting before he, Jamieson, knew anything about it, or that some other kind of discrimination or circumvention was intended. In Mr. Bergholz's despatch number 448 to this Legation he charges Jamieson with misrepresenting the object of the meeting, and with attributing to him, Bergholz, "motives which are puerile." So far as the charge of misrepresentation goes, it is to be remembered the call for the meeting, as hereinbefore stated, disclosed no other object than that of preparing for "united action by the gunboats" and "to discuss measures to be taken for the common safety": the suggestion of aid to the

British, if needed, was not expressed. And the direction given the coolie, in itself a small matter, yet in the colored atmosphere in which Jamieson viewed it, assumed to him the form of a premeditated slight or discrimination.

My comments herein made may seem somewhat critical of Mr. Bergholz. I do not mean to do anything more than to point out wherein I think he failed to protect himself, or to make out a good case. I am quite sure his position is a trying one. The time is one of great apprehension of danger. No official, in his position, but what feels he is charged with much responsibility for the safety, not only of his own family, but of his own nationals as well. He naturally feels that he has a right to do something for their protection, to utilize the military or naval forces which his government has sent to his port for such defensive purpose. And when a colleague who assumes priority of jurisdiction treats him arrogantly, threatens him with hostile force, excludes him from knowledge of the plans for defence, and resents his interested activity therein, it is not strange that he should feel mistreated. But such a situation is one which demands coolness, consideration for the sensitiveness of others, and ~~the~~ tact which will not "permit his rights to be invaded without protest, and, on the other hand, not to claim what he can not maintain." Article V., Section 77, U. S. Consular Regulations, p. 30.

I have sent Mr. Bergholz a copy of this despatch.

I have the honor to be, Sir,

Your obedient servant,

Signed WJCalhoun

Enclosures:

1. Mr. Bergholz to Mr. Calhoun, No. 446, November 6, 1911.
2. Mr. Bergholz to Sir John Jordan, November 17, 1911.

Enclosure No. 1 in Despatch No. 387, December 29,
1911, from Peking.

AMERICAN CONSULATE GENERAL,
Canton, China.

No. 446.

November 6, 1911.

Honorable E. T. Williams,
American Charge d'Affaires,
Peking, China.

In my despatch No. 445 of the 1st instant, advising you that Mr. J. W. Jamieson, the British Consul General, had refused to give his consent to my landing sailors from the "Wilmington", should I consider their presence absolutely necessary for the protection of the Consulate and of the Americans who would naturally take refuge here in case of danger, I stated, on page second, that: "The Acting German Consul has been requested to use men from the German gunboat 'Tsingtau" to work one of the machine guns." Upon my informing Mr. Jamieson, after he had declined to accede to my request, that I had seen ten sailors from the "Tsingtau" entering the German Consulate, he replied that he had asked Mr. Tigges, the Acting German Consul, to land these sailors for the purpose of working a machine gun. On making this statement to Mr. Tigges this morning he said that the British Consul General's explanation of the landing of the German sailors was untrue, as he had asked Mr. Jamieson for permission to bring his men on shore, which was readily granted.

It appears, therefore, that the British Consul General, on the same morning that he refused to allow me to land sailors, had accorded the permission to the German Consul to do so, and that he deliberately told me an untruth when he stated that the presence of the German sailors on the British Concession was due to a request on his part to the German Consul to land them.

It is, I believe, the intention of my Colleagues of Germany, Portugal and Japan to bring to the attention of their respective Legations the failure of the British Consul Genral to afford them any information as to the steps taken to protect the foreign community and of his making arrangements with the Municipal Council for the disposal of their respective countrywomen and children without in any way consulting them or even referring the question to them.

I have the honor to be, Sir,

Your obedient servant,

(Signed) Leo Bergholz,

Consul General.

Enclosure No. 2 in Despatch No. 387, December 29,
1911, from Peking.

Revolution: Events at Canton.

AMERICAN CONSULATE GENERAL,
Canton, China.

Decanat 918.

No. 60.
S. C.

November 17, 1911.

Sir John Jordan, K. C. B., K. C. M. G.,
H. B. M's Envoy Extraordinary and
Minister Plenipotentiary, and
Doyen of the Diplomatic Body,
Peking, China.

Sir:

I have the honor to enclose a copy of a communication, dated the 10th instant, sent me, as Senior Consul by Mr. Hu Han Wen, announcing that the people of Kwangtung had declared the Province to be independent and under the jurisdiction of the Military Government of the China Republic and had elected him to the office of Governor General. He added that he held himself responsible for the complete protection of the life and property of foreigners within his jurisdiction and stated that all transactions are to be conducted similar to the manner in which they are transacted between the Military Government of the China Republic in the Province of Hupeh and the friendly powers. At a meeting of the Consular Body held at this Office on Saturday afternoon, November 10th, it was decided that I should telegraph the substance of this despatch to you as the Doyen of the Diplomatic Boady and ask you to be good enough to instruct us as to the attitude we should hold towards the new administration, and I therefore that evening sent the American Minister at Peking a message in the above sense, which I asked him to be good enough to communicate to you. On Thursday morning, the 16th instant, I received from the American Minister a telegram reading as follows: Diplomatic Body considers that the foremost duty of the Consular Body is to safeguard above all things the tranquility of the Concessions and the safety of the foreigners. If in the attainment of this end the Consular Body believes it is necessary or advisable to enter into actual but informal relations with the revolutionists the Diplomatic Body would certainly not be in a position to disapprove such action but the Consular Body alone is in a position to judge as to the absolute indispensability of such a course." At a meeting that afternoon of the Consular representatives, to whom I submitted your instruction, I was directed to acknowledge, in a personal and informal way, the despatch from the Governor General, without addressing him by his title or commenting in any manner upon the subject of his communication. At this meeting the Japanese Consul General, Mr. A. Segawa, informed us that he had been directed by the Foreign Office at Tokio in no way to recognize the revolutionary Government or to reply to the communication sent him by Mr. Hu, who had besides addressing me as Senior Consul sent a note identical with mine to all the Consular representatives. The French Consul, Mr. Beauvais, sent me a note on the 13th instant, a copy of which is an enclosure, advising me that he had received a telegram from the French Charge d'Affaires at Peking informing him that it was his duty, without in any way recognizing the new Government, to enter into official relations with it for the purpose of arranging all questions affecting the welfare of his compatriots. Mr. Beauvais stated at the meeting that he had felt it his duty at once to place himself in official relations with the Governor General and that, consequently, he had sent a personal note by a French priest acknowledging the receipt of his letter announcing his appointment and stating his gratification at the assurance given him that French citizens and their property would receive every protection, and expressing the hope that all necessary measures would be taken to insure their safety. Consequently the first communication received by the new Government from the Consular Body was this note from the French Consul. I believe that all my Colleagues, with the exception of the Japanese Consul General, will also enter into informal relations with the Governor General as he is absolutely the representative of the only authority now existing within the Province.

As your telegraphic instruction clearly states that the "Diplomatic Body considers that the foremost duty of the Consular Body is to safeguard above all things the tranquility of the Concessions and the safety of foreigners", I have the honor to enclose, for your information, a circular notice sent to my Colleagues asking them to be good enough to call at this Consulate on Tuesday, the 7th instant, accompanied by the Commanders of their respective gunboats, to discuss measures to be taken for the common safety "in view of the possibility of an outbreak occurring within the city or an attack upon it be revolutionists rendering necessary some united action by the gunboats within the harbor for the protection of the foreign community." All my Colleagues with the exception of the British Consul General signified their intention of being present, but at the last moment Mr. Beauvais, the French Consul, sent me a letter, a copy of which I have the honor to enclose, giving the reasons which prevented him from attending. I have the honor to enclose, also, a copy of the minutes which clearly indicates the views held by my Colleagues who were present. A copy of the plan of the defence of the British concession, which is mentioned in the minutes, I also beg to enclose. The day following, one of my Colleagues was kind enought to give me a copy of an official communication sent him by the British Consul General, and which appears to have been sent to all the Consuls except myself, stating why neighter he nor any British naval officer proposed to attend the meeting which Mr. Jamieson construed, how I cannot see, was called for the purpose of discussing the defence of the British Concession. I cannot refrain from adding that I consider Mr. Jamieson's sending a letter of this character to my Colleagues a grave discourtesy to me. A copy of this letter you will find attached.

I have the honor to be, Sir,

Your obedient servant,

(Signed) Leo Bergholz,

Consul General of the United States
and Senior Consul.

Enclosures:

1. Mr. Hu Han Wen to Mr. Bergholz, November 10, 1911.
2. Mr. Beauvais to Mr. Bergholz, November 13, 1911.
3. Circular Notice of Meeting
4. Mr. Beauvais to Mr. Bergholz, November 7, 1911.
5. Minutes of the Meeting.
6. Plan of the Defence of the British Concession.
7. Mr. Jamieson to certain members of the Consular Body, November 7, 1911.

Sub. Enclosing Imp Edict re National Convention

AMERICAN LEGATION,
PEKING.

Ref.

Ind. Jan. 10, 1912

Peking,

No. 393. January 6, 1912.

Ackd by card
Feby 6, 1912

The Honorable
The Secretary of State,
Washington.

Sir:

I have the honor to enclose herewith two copies of an Imperial Edict issued on December 28, 1911, authorizing the convocation of a Special National Convention to decide whether a monarchical or republican form of government shall obtain in China.

I have the honor to be, Sir,
Your obedient servant,

Enclosure:
Imperial Edict, December 28, 1911.

Enclosure in despatch number 393, January 6, 1912,
from Peking.

Tr.T.

Imperial Edict.

Issued Dec. 28, 1911.

Subject: Special National Convention.

We have respectfully received the following Edict from Her Majesty the Empress Dowager Lung Yü: the telegraphic Memorial of Tang Shao-yi transmitted by the Cabinet states that Wu Ting-fang, representative of the People's Army, insists strongly that the wish of the people aims at the establishment of a republican form of government. At the outbreak of disturbances at Wuchang, We acceded to the request of the Tzucheng Yuan in promulgating the 19 Constitutional articles of good faith and in taking our oath at the Imperial Ancestral Temple hoped that armed conflicts would be suspended at an early date and that We might enjoy with the people the blessing of peace. But simply on account of our good faith not being well established, the political strife has continued to make its appearance.

We consider the problems of the adoption of a constitutional monarchy or of a republic for our country tp have important bearing on our foreign and domestic affairs. The question could be solved neither by a section of the ~~my~~ populace, nor by the Throne alone. There ought to be convoked a Special National Convention to which the question shall be turned over for decision.

Now the Ministers of State have memorialized requesting a meeting of the princes and nobles closely related to the Throne for considering the question and

We have questioned them personally and all are of one opinion.

The Cabinet is ordered to telegraph the proposition to Tang Shao-yi, who is to make known the same to the representatives of the People's Army. On the one hand the Cabinet should speedily and carefully draft election laws by mutual agreement, which are then to be executed for the speedy convocation of a National Assembly. On the other hand, the Cabinet is to consult with Wu Ting-fang for an agreement to suspend warfare, as a preliminary step, so that the people may be relieved fxmm and suffering averted.

We are of opinion that a Ruler is appointed for the people who are created by Heaven, and his duty is to act as their shepherd. It is for that one man to nurture the people and not for the people to serve that one man. The Emperor, on ascending to the Throne, is still in his tender age, and for that reason especially We cannot bear to cause sufferingsm to the people and to injure the whole country. We only hope that the decision of the Convention will be based on the interest of the country and the well-being of the people. Heaven hears what the people hear and sees what they see. We wish and sincerely hope that our patriotic soldiers and subjects will mutually act in accordance with the principles of justice and conjointly seek for the public weal.

Respect this.

Sub. Political Situation

Ref

Jan. 17, 1912

Peking,

No. 399. January 16, 1912.

Ack. by card — Feby 9-'12

The Honorable

The Secretary of State,

Washington.

Sir:

I have the honor to report that ever since my return here the situation has been so confused and so obscured with doubt and uncertainty that it has been impossible to make any satisfactory estimate of it. It seems to change every day. Rumor with a thousand tongues is always busy; one never knows what to believe, or what is going to happen. One reason for the difficulty under which we labor in attempting to analyze the situation is the fact that the foreigner is unable to read the workings of the Chinese mind. The longer he knows them, the more

difficult

difficultyit is to tell what they think, or feel, or what they are going to do. No intimacy of association, no assumed confidential relation supplies the deficiency.

When Yuan Shih-kai assumed the premiership, all eyes were turned to him, all hope centered on him. But his conduct has been so mysterious, and hesitating and wavering, that we have long since ceased guessing what he is going to do. At one time he promises to be aggressive, and we look for developments, bt it ends in a telegraphic warfare between him and Wu Ting-fang.

Yuan has the best army, best drilled, equipped and disciplined; from all accounts, it appears to be a reasonably effective force. Both men and officers are reported willing, even eager to fight, and it is believed that if they had been allowed to do so, Yuan would have smashed the backbone of the revolution long ago. But he says he does not want to shed blood; he prefers to negotiate a peaceful settlement; and until lately appeared to be hopeful of success.

There are various estimates of Yuan. He is generally regarded as the ablest man that China has today. Some think he is only an astute politician, that his success heretofore has been due to political intrigue, and that he is an overrated man. But he has a record for achievement, and the general estimate of him is, that he has character, force and capacity to do things; wherein he is to be differentiated from any other official or public man in this country of whom I have any knowledge. He is big, fat and burly. He is evidently past the prime of life - not so much in years, perhaps, as in fast living; and it is thought he has lost much of his former strength. He impresses me as being intelligent and resourceful, but like all Chinese he is more of a schemer than a man of action.

I have no doubt but he came here in good faith intending to support the Manchu dynasty. But he has been overwhelmed by the tide of opposition to the Manchus with which he is confronted. In addition his intimates, those who immediately surround him, who have his confidence, and who are attached to him by personal obligations, are largely Cantonese. They are all secretly sympathetic with the revolution. They are also ambitious for Yuan, partly because they are loyal to him and partly because if he comes out as the head of the reorganized government, their "calling and election" is made sure.

The result is, Yuan has been wavering, and hesitating and listening to all kinds of advice. It is manifest that up to this moment he has not formulated any definite policy; he is simply drifting with the tide.

For some days past the air is full of rumors that the Manchus will abdicate and retire. The imperial clan has had a number of conferences on the subject. There is more or less division of opinion among them as to what they ought to do. The more intelligent among them favor abdication. And, upon the whole, it is the best thing they can do. They have shown themselves to be so weak, inefficient and helpless, that all respect for them is gone; they can have no influence upon the country; the only thing they can do is to make for themselves the best terms they can and then go away.

Yuan appears to have reluctantly cacme to the conclusion that the Manchus must go, but he has not had the nerve, or else has not deemed it wise, to tell them so. He has been hunting around for some one to go to them and tell them the inevitable has come, that the time to ring down the curtain on the Manchu dynasty has arrived, but up to this writing he has not been able to find the proper messenger. It is believed, however, that it is only a question of days when abdication will be announced.

The next question is: what will happen if the Manchus do abdicate? Yuan has assumed the position that good faith requires that he should also retire; and he has repeatedly said he would do so; that he would go back to his country home, in Honan, and there await developments. But strong influence of friends, of many foreigners, and of some of the diplomats here, is being brought to bear upon him not to retire; they assert, and I think with much justification, that if he retires with the Manchus, the north will be enveloped in the flames of riot.

But just what position he will assume is difficult to determine. He can hardly be called premier, because the monarchy will be gone, and no government, in the north, will have taken its place. I doubt very much if he will yield to Sun Yat Sen, except upon the condition that a representative convention be called, which shall represent the country, by which the form of government and the actual or provisional head of it, shall be determined. The feeling in the north seems to be very strong against the south, and especially against the new republic.

The weakness of the republican movement in the south seems to be that it is promoted, supported and controlled almost entirely by Cantonese influence. And Sun Yat Sen, whatever his character and ability may be, is not regarded here as a representative man. He was born on the coast. He was educated and has lived most of his life abroad. He knows nothing of the interior of China, of of the life, character, traditions and habits of the Chinese people. There is much jealousy and many antigonisms between the provinces, and especially between the interior and coast prominces. It is, therefore, very doubtful if Sun Yat Sen can hold the situation or command the varied and conflicting influences which will become active, once the Manchu influence is removed.

Therefore, at this writing, the crisis seems to be close at hand, the future of China is hanging in the balance, and the possibility of wide-spread civil war, of anarchy and chaos is within the limits of reasonable apprehension. No one is wise enough to predict what will happen.

I have the honor to be, Sir,

Your obedient servant,

Sub. Telegram from 46 Generals Imperial Army to Cabinet etc.

Ref.

Ind 17 FEB 1912

Peking,

No. 413 J February 3, 1912.

Ack. by cont— Mch 4/12.

The Honorable
The Secretary of State,
Washington.

Sir:

I have the honor to enclose herewith duplicate copies of a translation of a joint telegram purporting to have been signed by some forty-six of the Generals of the Imperial Army and sent to the Cabinet, the General Staff, the Army, Princes, Nobility, and the Ministers of State, in which request is made that the Throne be memorialized to abdicate to make way for a republican form of Government.

I have the honor to be, Sir,
Your obedient servant,

Enclosure:
Telegram, as stated.

Joint Telegram.

Sent January 27, 1912, by General Tuan Ch'i-jui and some forty of the Imperialists Generals to the Cabinet, the General Staff, the Army, Princes, Nobility, and the Ministers of State.

We beg to express in sorrow our opinion on the policy to pursue and to implore that a republican form of government be set up, in order that the Throne may be strengthened and the country settled once more. We respectfully request that the Throne be memorialised to the following effect:

An armistice has now been in effect and negotiations have been in progress for two months and we have heard that the Court has acquiesced in the plan of the people that a republican form of government be created in conference and also in the provisos respecting the deference to be paid to the Emperor and the Imperial Family and the rights of Manchus, Mongolians, Mohammedans, and Tibetans, which provisos are that the Ta Ch'ing Dynastic Line shall be continued in perpetuity; that the annual allowance made to the Imperial Family shall not be less than Tls. 3,000,000; that the distinctions between Manchus, Mongolians, Mohammedans and Tibetans shall be abolished and that these races shall enjoy the same status as Chinese; that hereditary titles of nobility shall continue as heretofore; and that all private property rights shall be respected.

Wu T'ing-fang, representative of the People's

Army, has formally stated his willingness that the above terms shall be filed as record at the Hague International Tribunal. This has been published far and wide by the telegraph and the press and the People and Government Officials of the nation have universally received it with enthusiasm, as the best of allplans for the present time, protecting the Throne forever and exalting it to a position not hitherto occupied by it, while it also affords limitless protection to the nation. From the Edicts of the Empress Dowager we reverently see that She is toiling day and night. But we hear that Duke Tsai-tse and P'u Wei (Prince Kung) and others of the Nobility have been impeding the progress of events and that an impasse is likely to occur.

The question of the form of government will not be settled until the meeting of the National Convention and we, Tuan Ch'i-jui and the others, must therefore make every effort to prepare for war and then await the setting up of the new Government; ani we are mindful of the fact that ever since the beginning of the disturbances numerous Edicts have been issued by Her Imperial Majesty all of which have expressed pity for the sorrows of the People, seeking only for the good of the country and the happiness of the people, fearing only the desolation of their lives.

The Throne has promulgated the Nineteen Guarantees and they have been sworn to in the Ancestral

Temple. It has also acceded to the policy of summoning a National Convention which shall decide the form of Government. These acts all evidence the fact that theThrone recognizes that the People are the foundation of the Nation. The Throne is able to descend to the level of the People and see what they see, hear what they hear.

The People's Army will never consent to a prolongation of the armistice and it will be impossible to await the convocation of the National Convention. There should be no talk of a delay of several months for there would ensue a scattering of the soldiers, turmoil among the people, and the swarming of innumerable brigands. The reduction of the Empire to a state of anarchy, the loss of control over the country, and a partition of the nation are impending.

In the two-months' armistice just concluded the People's Army has been accumulating funds and supplies, enlisting additional soldiers, and occupying territory. Our troops, on the contrary, are with- out the support of reserves, they are worn-out and are scattered over wide stretches of territory, thereby further reducing their effectiveness. The troops of the ennemy everywhere ally themselves with local banditti and thus secure means of sustenance and spread in all directions, inciting disturbances. They have sent their soldiers to occupy Chefoo in Shantung, the country north of Ying

Chou and Po Chow, in Anhui, and south of Hsuchow; in Honan they hold Kuang Chow, Shang Ch'eng and Ku Shih, in Hupei Ma-ch'eng, Hsiang Yang and Chi Yang and other places. Our forces hold only a small section and we are unable to form any plans. If they make a forward step we will be unable to protect Shantung, Anhui, and Honan. Although we, Tuan Ch'i-jui and the others, are loyal even unto death can we guarantee to ward off untoward eventualities? The source of supplies is dried up and the soldiers are wavering. The strength of the nation faces speedy dissolution and its break-up is the affair of a moment. Upon what shall dependence be placed when it comes to fighting? It is to be feared that when the troops are defeated the end will come. At that time it will be impossible to make satisfactory arrangements regarding the [illegible] deference to be paid to the Throne and the means of livlihood of the Imperial Clan and the Dependencies. A forcible separation of the North from the South will cause, so far as popular feeling is concerned, a great commotion in the North and West and an internal disruption, and geographically territory will be lost and there will be nothing to do but wait for the end of power.

We, Tuan Ch'i-jui and the others, are without ability in leading our troops, but death will give us no opportunity to repent of this. Suicide would be a useless loss of our paltry loyalty, the Empire would perish nevertheless and repentance would avail nothing. It would be no proper return of the Imperial bounty.

If a National Convention is convened to decide upon the form of government it is not certain what form will be chosen, but judging from the present headlong course of public sentiment it will be republican. At that time it will be impossible to decide upon a new policy. Months of calamities will have descended upon the people. How much better it would be to win first the joyful approbation of the people and their tearful gratitude? They would compare the action of the Throne to the rendition of the Empire by Yao and Shun. Would this not be glorious?

We, Tuan Ch'i-jui and the others, have been the recipients of the Throne's lavish bounty; even though it meant our death we would declare what in our opinion is advantageous and what is calamitous.

We ask that the Throne issue an Edict announcing to the nation and to foreign countries its abdication and the establishment of a republican form of government, the present Cabinet and Ministers of State to replace the Imperial Government, giving existing treaties, national loans, and international relations full recognition. The National Convention could then be summoned to create a republican government, thus enabling Chinese and foreigners to make a fresh start and affording hope that the lives of the masses should be rendered peaceful and restoring order in the North. The people would be encouraged to strive for the upbuilding of the country and the onward course of China would be most propitious. We await the Imperial commands with impatience.

We respectfully request that the above may be submitted to the Throne in a Memorial on our behalf.

(Signed) Tuan Ch'i-jui, Chiang Kuei-t'i, Chang Hsun, Ho Tsung-lin, Ni Ssu-ch'ung, et al, about forty-six in all.

No. 178. AMERICAN CONSULAR SERVICE,

Nanking, China, January 20, 1912.

Subject: Political views of revolutionary leaders.

W. J. Calhoun, Esquire,
American Minister,
Peking.

Sir:-

I have the honor to inform you that I have been recently called upon, in an informal manner, by certain of the Revolutionary leaders, these being General Ch'u, Commanding the Chekiang troops; Mr. Tang show-chien, Minister of the Board of posts and Communications; and Dr. Wong chung-wei, Minister of Foreign Affairs. I received these gentlemen in a friendly way in the same manner that I would any other Chinese gentlemen, but explained to them that at the present time I was unable to return their calls.

In the course of conversation I obtained some valuable information, which shows the feeling of these gentlemen, and the courses they will probably pursue in the establishment of a republican form of government, as well as their policies at the present time. As these gentlemen have not called on any of the other consuls here the information which I have received is of an exclusive nature.

The principal information received from General Chu was in relation to the dissatisfaction of the military with the prolonged armistice, and the probability of the military leaders taking some action to protest against any further extension, they being greatly dissatisfied with the continued obstruction of Yuan shih-kai

It will be remembered that Mr. Tang was the former head of the Chekiang railways, and was the gentleman who so strenuously objected to the nationalization scheme last winter. Mr. Tang has been antagonistic to railway nationalization for many years. He appears to be a strong, clear brained official of the old type. He is about 65 years of age, and being of a conservative nature is looked upon as a valuable counter balance to the enthusiasms of the younger men in the cabinet and amongst the leaders. While he seems to be still opposed to any nationalization scheme, he is not so antagonistic to the idea of the use of foreign capital in the extension of the railways system of China, appearing to realize that the finances of China are inadequate at the present time, and recourse must be had to foreign loans. He seems to be now looking for some excuse to employ foreign money and at the same time save the "face" of the revolutionary party, who took as an excuse for precipitating the present civil struggle, this objection to the use of foreign loans. It appears probable that the objection was not so much to the loans themselves as to the manner of disbursement under the Manchu government.

Dr. Wong chung-wei who is said usually to be extremely non-commital, spoke with great freedom of the aims of the present government here.

Dr. Wong is a young man of pleasing manner, still under thirty, and seems clear thinking, keen, quick witted and diplomatic. I gathered from his conversation that a Legislative council had been appointed by the Republican delegates, which was busily engaged daily in preparing a constitution, following the form of that of the United States. Forty articles have been completed, but he was unable to give me the gist thereof, but a point of particular importance over which he shows great enthusiasm is that a residuary powers shall all rest in the central government, as opposed to the American system of States' rights, thus making the central government the ultimate power. Dr. Wong is a graduate of Yale, and a Doctor of Laws of that University, having taken the full four years course there. Hé is also a Doctor of Laws of the University of Berlin, and has an excellent knowledge of the German as well as the English language. He is warmly enthusiastic regarding the United States, and in his selection as Minister of Foreign Affairs, I consider the American people are particularly fortunate if the present government here receives recognition and becomes an accomplished fact.

I gathered from Dr. Wong that the revolutionary government was having no difficulty ins ecuring sufficient funds, but that most of them were now being devoted to the military. Cabinet Ministers for the present receive no salaries.

As the infrmation contained above was given in a more or less confidential manner, I trust the Legation will consider it advisable to keep it so until it becomes public, and as I have been fortunate in securing certain sources of confidential inside information, which is not known to the other Consular representatives here, I trust that any telegrams which I may send marked confidential will be held as strictly secret and for the exclusive information of the Legation and State Department.

I have the honor to be, Sir,

Your obedient servant,

(Signed) Wilbur T. Gracey,

Consul

Sub. Newspaper Clippings re Lawlessness incident ~~to Revolution~~

Ref. ....

Ind. 13 Feb. 1912

Peking,

No. 422 February 8, 1912.

Ack. by card — March 11/14

The Honorable
The Secretary of State,
Washington.

Sir:

I have the honor to send enclosed, in duplicate, clippings from recent numbers of newspapers published in China, which indicate in some measure the state of lawlessness existing in some of the provinces controlled by the revolutionists.

I may add that recent consular reports from Swatow represent that rival factions are contending for the control of that part and that clan fights are in progress in the interior of the district.

The Consulate at Foochow reports pillaging in various places in that neighborhood, and states that the local authorities are in the hands of students. The hysterical character of the revolution there may be judged from the organization of companies of young women students as soldiers and their despatch with the troops sent to the north.

The Department will have noticed in the despatch of the Consul at Amoy, dated January 6th, that there was a band of armed robbers operating in the vicinity of the port, and in his despatch of January 25th that a massacre of revolutionary soldiers had occurred a short time before at Ting-chou Fu, in Fukien. From all parts of the southern and central portions of the empire come stories of violence and robbery.

A chinese gentleman who arrived recently in Peking from Kweichou informs me that the country districts in that province and in Kiangsi are in a state of terror because of the outrages constantly occurring and because of the extortion practiced by officials of the new government. He declares that an imperial force that would restore order would be hailed with enthusiasm. In other places, too, the people are reported to be weary of the new order and sigh for the peaceful times that are past.

On January 29th the Consul at Chefoo reported that the revolutionists, who had recently landed there, had removed the local republicans from office and were squeezing the city to the last drop. Among other sources of revenue being cultivated was the licensing of opium smoking dens, thirty-four being in operation at the time of writing. Other consulates, notably the one at Chungking, have reported that poppy planting has been resumed. The missionaries who escaped from Shensi stated while here that some of the magistrates who had been active in suppressing the opium traffic in that province had been among the first victims of the revolution.

Too much importance must not be given, however, to the existence of disorder in the disturbed provinces, for confusion and anarchy are the natural result of a displacement of the local authorities; but on the other hand, it is necessary to receive with great caution the assurances of the friends of the republic that the new government is equal to the task of preserving order.

I have the honor to be, Sir,

Your obedient servant,

Enclosures:

Newspaper clippings.

THE NORTH-CHINA DAILY
NEWS, FRIDAY, JANUARY 26, 1912

Kuangtung

LAWLESSNESS IN KUANGTUNG.

A correspondent writes to the "China Mail":—The reports of robberies and outrages throughout the Canton province are extremely numerous, and frightfully distressing. From private sources we learn that everywhere along the course of the North River hardly anyone is immune from the depredations of these lawless bands, who roam about and do as they list, without encountering any force strong enough to interfere with them and their deeds. Villages are looted, and, as if this were not enough, often youths are carried off, and held for ransom, and if there is the least provocation from any source firearms are used, and the dwellings of the people are set on fire and burned to the ground. There are ominous mutterings at the condition of affairs, and law-abiding citizens are wondering when there is likely to be an end to it.

THE NORTH CHINA DAILY NEWS,
THURSDAY, JANUARY 25, 1912.

Shanghai

REVOLUTIONARY FUNDS.

HEAVY DEMAND ON THE CHINA MERCHANTS'.

Details have just come to light of an extortionate demand which has been made by the revolutionaries upon the China Merchants' Steam Navigation Co. Practically ever since the beginning of the revolution people in all stations of life have been called upon to make contributions to the funds of the party, and it is understood that sums of money have already been given by the China Merchants. This new demand, however, exceeds in magnitude anything that has been essayed before, and together with the demand has come a threat of the most serious nature.

The circumstances of this attempt by the revolutionaries to raise money are as follows. Less than a week ago a despatch was received at the offices of the China Merchants' Co. ordering them to raise a sum of Tls. 10,000,000, or in default the whole fleet would be seized by the revolutionaries. This despatch came from the Government in Nanking, but who the signatory to it was has not transpired. It is understood that in the first place a period of forty-eight hours was mentioned in which the money must be handed over. Naturally the demand created something in the nature of consternation locally. Negotiations, however, must have ensued and delay have been allowed, for it is understood that up to the present the sum has not been forthcoming. A meeting has, however, been summoned, and advertisements have appeared in all the Chinese papers calling the shareholders together "to discuss an important subject." This is to take place on February 1.

It is understood that the shareholders of the China Merchants' Co. are widely scattered, a proportion of them being as far removed as Singapore. The delay that has been secured is evidently with the purpose of enabling these to be represented at the meeting. What steps are being taken in the meantime to deal with the matter or what will be proposed at the meeting is not divulged. It is said that this is not the first occasion on which the revolutionaries have attempted to obtain money from this company by methods similar in character, but these were abandoned, and it was hoped that the present one would have an equally happy end. At present, unfortunately, there are no indications that this will be the case.

Were the revolutionaries to put their threat into effect, it is thought they could do no more than hold the ships as as a hostage, hoping that in course of time funds might be forthcoming. That they could run them themselves is doubted. At present they have two of the company's vessels in their possession, the Kweilee and the Kuling, boats which trade from Hankow up river, but in addition to these, five of the other steamers are more or less employed by them as troopships, although they also carry on their ordinary mercantile trips between other voyages. In all, the line consists of twenty-nine steamers, and were they to attempt to take them over difficult diplomatic questions might arise, particularly with reference to those

THE MUNICIPAL GAZETTE,
THURSDAY, JANUARY 25, 1912.

Shanghai

The Revolution.—The close of the year 1911 finds the districts surrounding Shanghai in such a state of anarchy as has not existed since the time of the Taiping Rebellion.

The actions of certain subordinate agents of the Republican Party in the Settlement are becoming more high-handed as hopes of an immediate settlement of the Revolution recede.

Early in December a brutal murder was committed upon the compradore of a foreign firm suspected by the Revolutionary Party of selling arms to the Imperial Forces. This took place as the compradore was disembarking from an up-river boat alongside one of the Hongkew Wharves.

Following the murder came several attempts at abduction, the victims in every case being wanted in order that they might be forced to supply funds for Revolutionary purposes.

In a minor degree various native residents have had their lives threatened and scores their days made fearful to them by constant attempts at blackmail.

The presence of the Peace Congress delegates and the holding of the Congress itself in Shanghai has added most materially to the responsibility of those concerned in the keeping of law and order in this Settlement.

Dr. Sun Wen, better known as Sun Yat-sen, arrived in Shanghai on 'Xmas Day. He proceeded to Nanking on January 1 where he was elected Provisional President of the New Republican Government.

THE NORTH-CHINA DAILY NEWS,
MONDAY, JANUARY 29, 1912

Chekiang

DISCONTENT IN CHEKIANG.

THE OLD ORDER AND THE NEW.

From Our Own Correspondent.

Shaohsing, Jan. 26.

Comparisons are said to be odious; be that as it may, the Shaohsing people are now venturing to compare the present government with the old and find that with all its faults, the old is prepreferable to the new.

The present government abolished all the likin offices as iniquitous when they came into power, only to restore them after the short period of two months' rule. They have been re-established throughout the Prefecture and are, I am informed, more exacting than ever before. Under the old *régime* a merchant, if he considered his goods were assessed at too high a figure, might enter a demurrer with some hope of redress, nowadays the likin is demanded at the muzzle of revolver or rifle. The well-to-do are still required to subscribe large sums for the support of the soldiers, and one wealthy citizen who is said to have committed some misdemeanour under the former government has had the accusation revived and is being mulcted to the tune of $80,000.

The Shaohsing governor paid a visit to Shanghai to purchase 2,000 rifles for the soldiers whom he has raised in the district. The visit has turned out both prolonged and unfortunate. The rifles were procured but objections were raised by high authorities in Shanghai and Hangchow against the rifles being transported to Shaohsing on the grounds that such a large number of rifles were not necessary in Shaohsing, but were most necessary for the equipment of the proposed northern expedition now being assembled in Nanking. So our governor has been forced to surrender his rifles and still remains absent from his post. Whether the absence is compulsory or not is a matter of conjecture. The soldiers continue to drill daily without firearms.

Thieves abound within the city; the Baptist Mission had their girls' school broken into no fewer than four times in three weeks. The mission has been compelled to institute a service of night watchmen to protect its property from the depredators. The mail from Shanghai and Hangchow was robbed outside the city last week. Travelling at night on the canals has become most unsafe. Numerous out-of-work and hungry people roam the city and countryside and as the Chinese New Year approaches the outlook grows darker.

THE NORTH-CHINA DAILY NEWS.
SATURDAY, JANUARY 27, 1912.

THE DEATH OF CHAO ERH-FENG.

Szechuen

From Our Own Correspondent.

Chungking, Jan. 4.

Latest reports from Chêngtu tell of the execution there on December 22 of the ex-Viceroy Chao Er-fêng. A messenger, the would-be justification states, was caught on the 21st bearing letters from the self-appointed Manchu General of the Tibetan Marches. According to this letter, fires were to be started at the north, west and the east gates of the city and during the disturbance Chao Er-fêng and his soldiers were to "kill" their way through the city, pass out of the south gate and cut their way through to Hsuanliuhsien, thirty miles to the south.

From there, should the place be untenable, they were to retreat to Tibet and there set up self-government. This letter, it is said, fell into the hands of the Military Government, which at once sent soldiers and seized the ex-Viceroy in his yamên. Next day the grim old warden of the Marches was beheaded and his head carried through the streets of the capital amid great rejoicing. His yamên, together with that of Cheo Shan-pei, ex Provincial Judge, and others were thoroughly searched and confiscated. Orders for the arrest of Cheo, Wang Tan, former head of the Hsuin Fang soldiers and other former government officials have been issued and a strict search is being made.

Here in Chungking Tien Chen-kuei, former Provincial General, met a similar fate to the Viceroy last Sunday, January 31. He, it is said, gave the order for the firing of the soldiers on the masses in Chêngtu on September 7 last, when they assembled to plead for the lives of the leaders of the R. R. League. He was an elderly man over sixty, his hair and eyebrows being shot with grey. His head was also carried through the streets here. Foreigners should give him but scanty sympathy, as he assisted Yu Hsien in the massacre of missionaries in Shansi during 1900. Loot from the personal baggage of Tuan Fang including his decorations is for sale here, and photos of his head with his two executioners standing one on either side, may be purchased on the street. A body of old soldiers were said to threaten the banks and pawn shops here as in Chêngtu but they have been largely disarmed or disbanded. The city is restive, however, as the new recruits are unreliable. Missionaries continue to arrive from day to day and proceed down river. The A.B.M.U. are still at Yachow and Linguan and the Friends at Tungchwan. These latter with the C.I.M. and C.M.S. are all leaving.

Secretary of State,
Washington.

Sub. Newspaper Clipping: Removal of Capital to Nanking

Ref. ....

Ind. Feb 13, 1912

Peking,
February 9, 1912.

No. 423

Ack. by card.
March 9/12

The Honorable
The Secretary of State,
Washington.

Sir:

I have the honor to enclose herewith, in duplicate, copy of an article clipped from the CHINA PRESS, Shanghai, regarding the proposed removal of the capital to Nanking.

I have the honor to be, Sir,
Your obedient servant,

Enclosure:
Clipping from CHINA PRESS, January 13, 1912.

Enclosure No. 1 in Despatch No....., February , 1912,
from Peking.

COPY

MODEL CAPITAL AT NANING.

Nanking, January 13....................

In the first place, if there is anything about which the Chinese Republicans are more determined than another, it is that the capital will be removed from Peking. There are, according to their way of thinking, many good and sufficient reasons for this, from both material and sentimental standpoints. As sentimental often outweighs practical aspects of great questions, so in this instance does sentiment play an important part. To millions of Chinese Peking stands for the oppression and humiliation of their natioh. China proper never,has, so the Republicans say, felt any pride or affection in Peking. It has always been called the "Manchu Capital" by them -- not the capital of the Chinese. Chinese always have resented the degradation of Nanking, the old seat of China's government, and it has been for centuries a saying that so long as the capital was in Peking the Manchus will continue to rule the land.

Isolation of Peking.

So much for the sentiment of traditions. Even more powerful is the purely modern sentiment branded with practical political wisdom. The modern Republicans, and many constitutional monarchists as well, feel that much of the reactionary disposition of the Manchu government was because it immurred itself inside the walls of the

Forbidden City. All who have resided for any time in Peking have felt its spell. As an example of the effect of the northern city, is cited the difference in outlook on the present situation from there and from other parts of the Empire. Duing the present revolution, the younger Republican leaders say, it has been almost impossible to get people in Peking to understand what was really going on in the rest of the country.

This curious blindness not only affected the Court and Chinese officials. There is ample evidence that it influenced foreign ministers as well, and even blurred the usual acute and unprejudiced vision of the the newspaper correspondents. The city and its traditions seem to hold them in its spell, and they could not until very recently understand that the revolution was not a mere sporadic movemmat soon to flicker out, but was deep rooted among the ideals and desires of the people, and had inherent in it an irresistible determination to overthrow the old regime. To this influence is attributed attitude and persistence of Yuan Shih-kai.

It is common for the Republican leaders to say: "If we only could get Yuan Shih-k'ai to leave Peking, he would soon perceive the truth and quit trying to preserve this dynasty." In short, Pkeing has to young China come to be synonymous with stupefaation. One of the first necessities for the new Republic, it feels, is to shake itself clear forever of this oppressive influence. This only can be done, they argue, by removing the capital to another place. Apart from sentimental consideration, is pointed out that to the great population Peking is and always will be comparatively inaccessible and remote.

The new capital should be central and accessible, and free from archaic traditions and influences. China should be born again in a new capital.

Nanking agreed On.

President Sun and his ministers are agreed that the place for the new capital is Nanking. Nanking was the capital of China at the time of her greatest past glory; it will be made the capital of the nation in its forthcoming clorious rejuvenation. This reads like a mind picture-- a dream. It is a reality to young China, to President Sun and his ministers and they intend to put it into practice.

"Nanking is preeminently the place for the new capital of China," said an official outlinging President Sun's plans today. "It is centrally located midway between the north and the south. It is accessible by river, sea, and by rail. It is far enough inland not to be exposed to sudden naval and military attack from a foreign power approaching by the sea, and approaches to it can be defended. I look forward to seeing Nanking the capital and Shanghai the chief commercial port of China, just as Tokyo is related to Yokohama.

In many ways it is advantageous to have the political and commercial centres of a nation separated. The United States of America, one of the most commercial of the great nations, is an example of the satisfactory working of this plan. Washington is separated from the great commercial centres, yet it is not isolated, for it can be reached in a few hours from New York and other great business cities. I would not favor locating the capital on the seacoast, for it would be too exposed: neither should it be remote. It should not be identified with a section, like north or south, east or west.

"It seems to me that Nanking fulfils all reasonable requirements. Of all the principal cities of the nation, it is the most accessible from all parts of the country, and will be even more easily reached when we have an adequate railway system which will be within a few years now, for I look to see railway development proceed with great rapidity as soon as peace is restored. With proper railway facilities, such as double or quadruple tracks and express trains, Nanking will be brought within two or three hours of Shanghai, and there will be trains almost every hour of the day and night, just as between Tokyo and Yokohama, or New York and Philadelphia. Then there is the water route for people who prefer it, and for cargo.

Can Be Impregnable.

"There is no objection, according to military experts, to Nanking on the score of being vulnerable to attack. It is not nearly so vulnerable as Tokyo -- that is geographically It can be made almost impregnable, provided China has a proper army and navy. Without these, a capital located in Tibet would be reached by any great power which chose to attack it. The idea of locating national capitals in inaccessible places belongs to the dark ages. I may say to the Manchu regime in China. The Republic of China will wish to have intercourse with the world, and we have no reason to hedge its capital about. We will want people to visit it and and when foreigners and Chinese come, if our plans are carried out, they will find something wothh seeing -- for we plan to build the model capital of the world."

The idea of China, the old nation, being the first in history really to construct a model administration center, which is the dream of civic and political reformers everywhere, strikes one as rather startling. But reflection shows that really China is in a better position to carry out this idea than any other nation. If the capital is moved to Nanking, there will be no material obstacles of consequence in the way of the consummation of such a scheme.

A great advantage, in this instance, is that there is absolutely nothing to start from, consequently there is nothing to be got out of the way or to obstruct development of the ideal plan. The destruction of Nanking during the T'ai P'ing Rebellion left large areas inside the city walls almost vacant of buildings. Under these circumstances, it is possible to secure sufficient space for a civic center planned on broad lines. When Haussmann started to revise Paris he encountered tremendous difficulties in the fact that before he could construct he must destroy. Even Washing, which from the first was planned as an ideal capital, is now undergoing revision at a cost of destruction of many blocks of business buildings, at immense expense to the government.

Such difficulties will not be encountered at Nanking, or at least they will be comparatively insignificant. Ground ample for a complete administration center and suitably located could be easily procured. Only a few buildings, and these of little value, need be removed.

The administration buildings, as planned by President

Sun and his cabinet, will include houses of parliament, the various departments of finance, foreign affairs, posts and communications, agriculture, army and navy, justice, education, commerce and associated branches. There will of course be an executive mansion for the President. The present idea is for other members of the government to reside privately, as in the United States. There will be a national library and a national museum, to house the literature and arts of the country.

Competition is planned.

As at present conceived, the plans for this administration center will be decided upon by a competition among the leading architects of the world, the better plans to receive large prizes. Before instituting the architectural competition, it is proposed to invite a man of international reputation, or perhaps a commission, to come to China, visit the proposed site and give advice as to the scheme after consultation with the Government. The name of Daniel Brunham of Chicago is already mentioned in this connection. Mr. Burnham was the chief architect of the Chicago World's Fair, is a member of the commission having in charge the development of the plan to beautify Washington and is consulted in many similar matters of civic improvement. Ten years ago the Philippine Government brought Mr. Burnham to Manila, and he designed the plans for the new Philippine capital which is now being so rapidly carried on to completion. He is recognized as one of the greatest experts in the world in this line, having made a special study of the requirements of modern administration centers, as well of architecture.

The scheme will include, of course, a suitable park and boulevard system, with a view to producing a beautiful result as a whole. With freedom from restraint in the development of plans such as is afforded by a combination of circumstances presented at Nanking, there would be no reason why an ideal capital should not be realized, provided, of course, that the Republic is established as the permanent government for China.

It is not intended that the entire plan will be carriedout at once, or simultaneously, but it will be spread over ten or twenty years. Probably at least a year will be needed for the architectural competition, and then the expenses will be too heavy for a new government to bear immediately. The idea is to map out a schedule of expenditure for each year,andto lay out the construction accordingly. The most necessary buildings would be built first.

President Sun and his ministers have not lost sight of possible foreign objection to removing the capital from Peking, on account of the considerable investments they have there in Legation property and the inconvenience to which they would be temporarily put by the change. A new and more commodious Legation quarter would be laid out adjacent to the administration center adjacent to the administration center at Nanking and the foreign governments compensated for any loss sustained. Also a location will be set aside for hotels, residences of foreigners and business. There would, so the Republican leaders say, be none of the exclusiveness at Nanking which has always obtained at Peking. It would in this respect resemble Washington,Paris, Tokyo, London, or any other of the great capitals.

Immediate Improvements.

In connection with the plan for the new capital, a number of projects to improve Nanking are already suggested. One is a tram line connecting various parts of the city and especially with the railway station. Steps already have been taken to drain many of the swampy lands, and to put kerosene oil on ponds and canals so as to exterminate mosquitoes and suppress malaris. When objections are made to wanking on this score, members of the cabinet say: "Washington was laid out in a swamp. And for that matter, so was Shanghai. Those are temporary defects which will be remedied. We are already preparing to install a modern system of drainage. Other improvements will follow." It is planned to embody something of the best tradition of Chinese architecture in the capital buildings while at the same time having them contain all modern facilities and requisits. The park sdheme of the city will include the Ming Tombs, which will be made into a national park, and its monuments restored and kept in repair.

"The present government has not the authority to decide where the capital of the republic will be," said a member of President's Sun's cabinet today. "That will be decided by the national assembly. But I think that Nanking will be that almost unanimous choice. The scheme for a model administrative centre will not be definitely broached until the republic is recognized by the Powers, but as soon as that is done preliminaries for the paln will be started immediately."

What establishment of the capital at Nanking will mean to Shanghai is obvious. Such action would definitely fix this city as the chief commercial port of the nation, and undoubtedly give it a tremendous impetus, Next to having the new capital located there having it at Nanking is the best thing which could happen to Shanghai.

Sub. The United States and the other Powers in China

Ref. ....

Ind. Feb 13, 1912

Peking,

No. 428 CONFIDENTIAL. February 12, 1912.

Ack by card – April 1, 1912

The Honorable

The Secretary of State,

Washington.

Sir:

I have the honor to report that the international situation here is critical, and, at times, very much strained. Despite the concerted action agreed upon, there is much jealousy and suspicion of each other manifested by the representatives of the six leading powers. The tendency seems to be for the English and Japanese to work together, and the intimacy between the French and Russians is marked. These combinations are, for many reasons, to be expected, but they leave the Germans and the Americans very much to themselves.

The English, at one time, started to play the game, so to speak, alone. That is, they assumed to act as mediators in the negotiation of the armistice. It is said this independent action disconcerted the Japanese very much. The latter are very jealous of their prestige in the present crisis. Confirmation of the report was furnished in the fact that, up to that time, the English Minister seemed to pay little or no attention to his Japanese colleague; but, following the armistice, it was noticeable that he always professed a desire to consult the Japanese Minister before deciding upon a line of action in any given case, no matter how inconsequential it might be.

I do not say this in any spirit of criticism. I have no doubt but that it is the English policy to conciliate the Japanese, to influence them to keep in line with the other powers, and to restrain them from any individual action. Naturally, the Japanese are subjected to much suspicion by all the other powers, and their action is closely watched, and, I think, at times greatly exaggerated. Upon the whole I think the influence of the English upon the Japanese has had a restraining effect, and for that reason, if no other, I think, it is very good politics for the former to stand closely to their Japanese ally.

The Germans, like the Americans, find themselves very much alone. The recent political crisis in Europe is reflected here. The feeling of both the English and the French towards the Germans is, at least, not confidential, nor is it marked by any great cordiality.

The German Minister is a new man here. He is a fine looking, agreeable and intelligent gentleman. He comes to me frequently to find out what is going on. He is very suspicious of both the English and the Japanese. And when the two latter seemed to be active in the negotiations between the revolutionary and imperial parties, he was disposed to complain because they gave no information to the rest of us as to what was going on.

I had to confess equal ignorance, but I told him the less we knew or had to do with the trend of affairs, the less our responsibility, and therein I found much comfort.

When the negotiations for peace came to an abrupt termination, when the reactionary movement here in Peking set in, when Yuan Shih-kai became the subject of attack because of his failure to push the war, following the capture of Hanyang, and he excused the armistice because of the British Minister's intervention and when because thereof the latter became the subject of reactionary criticism, he has manifested less disposition to take individual action.

But one thing is apparent. All of the powers are more or less suspicious of the Americans. They seem to think we have some exclusive or personal policy in mind; that our professions of altruism are a mere blind; and that we hope or intend, somehow or some where, to secure an advantage, either in prestige or substance, in which the rest will have no share. Every word said or move made by the Americans becomes the subject of speculation and unfriendly gossip. I was very reluctant to come to this conclusion and I dislike to report it, but it is the fact, and you should know it.

The truth is, these people are jealous of us and fear us. It was all right so long as we released indemnities, educated Chinese youth at home, and sent missionaries to China. But when we rather forcibly injected ourselves into the Hukwang loan, tried to neutralise the Manchurian railways, proposed to build the Chinchow-Aigun railway, and finally negotiated a preliminary contract for the currency loan, we were then and are now believed to entertain an active and aggressive policy, which is competitive, if not hostile to all other foreign interests in China.

It was to neutralize or to ward off this competition that the Hongkong and Shanghai Bank reluctantly consented to enter the quadruple banker's combination. It must be realised that it is no eager or sympathetic coadjutor in the combination, and if anything happens whereby the latter is disrupted and the advance of the Americans is checked, there will be no regrets on its part. How much it will do secretly to effect such a result, I do not know.

The attitude of the Japanese towards us is naturally far from friendly. They dislike and fear the openly expressed friendly feeling manifested for us by the Chinese. They want to be the dominating power in China and on the Pacific. They fear our opposition to their plans in Manchuria; and to resist or thwart us, they allied themselves with the Russians. That the Japanese contemplate an eventual struggle with the Americans for the domination of the Pacific is undoubtedly true. They do not want to bring on that struggle now. Their financial condition will not permit the burden of another

war;

and for that reason, I think they really want peace. But they are trying to reduce or minimize our influence in China by every method that their very astute and effective diplomacy can suggest or employ.

But the most aggressive or positive enemy we have, in the Far East, is Russia. It is all that a Russian, in Peking, can do to keep up even a pretense of common courtesy towards an American. The currency loan contract, the pledge therein made of Manchurian revenues for security, the expenditure of a part of the loan for Manchurian development, and the provision made in Article XVI of the contract for future loans, are regarded as an evidence of a purpose to oppose the extension or continuance of Russian influence in Manchuria, and therefore to be an unfriendly act.

The idea is firmly lodged in the Russian mind that the currency loan contract was only a step in line with neutralization of railways and the Chinchow-Aigun road, adversely to affect Russian interests; also that the American profession of disinterestedness in Chinese affairs is all a sham. That our aim is really directed against Russian interests, and those of Japan, because of their identic nature. And that our policy is secretly aggressive and selfish in its inspiration and purpose.

STRICTLY CONFIDENTIAL. I have heretofore reported the pressure brought to bear upon the French by the Russians to induce the former to withdraw from the quadruple bankers' combination. This pressure is continuous and persistent. It is reported that Izvolsky, now the Russian Ambassador in Paris, is most persistent in his efforts to accomplish this purpose. It is further said he has a personal grievance of some kind against Americans; that his hatred for them is intense; whether this is true or not, I do not pretend to know. He is also reported to be intimate friend of the General Manager of the Banque de l'Indo-Chine, in Paris. It is evident that Izvolsky is industriously working on this manager, because the latter is forever writing Casenave, the local manager, in Peking, in criticism of his intimacy with Mr. Straight and his friendly relations, in general, with Americans.

Casenave is friendly to Americans. He associates with the little American colony here on the most intimate terms. He tells me, from time to time, the pressure brought upon his people at home, and, in turn, upon him, to abstain from business relations with Americans. It is to be remembered, however, that he only reports the pressure brought directly upon his bank; he does not assume to know or to tell what the attitude of the French Foreign Office is.

On February 8th there appeared in the PEKING DAILY NEWS an Ostasiatischer telegram from Berlin which assumed to give a summary of your note of February 2nd to the German Ambassador, wherein the policy of the United States in the present crisis, in China, was expressed. On the 9th another version of your note, coming from the same source, was also published in the same paper. These telegrams made quite a flutter in Peking. On February 9th the JOURNAL DE PÈKIN, a French newspaper, supported by the Russians and probably by the French, made extended comment on the first telegram, appearing in the Peking News on February 8th. The telegram is construed as indicating some special form of *entente* entered into between the Germans and the Americans. I enclose herewith translation of the comment of the JOURNAL DE PEKIN.

While these Ostasiatischer telegrams were somewhat ambiguous, I never dreamed of them being misunderstood, until Casenave came to see me. He referred to the telegrams and he seemed to be thereby much perturbed. He asked me what they meant. I told him I had an abstract of the note to which reference was made, and it only meant that the Department had reaffirmed its previous declaration of neutrality and cooperation. He then asked me if I would see the French Minister and tell him something about the note. He said the situation was very delicate, the influences working against the Americans were very strong, and he thought it inadvisable to allow any misconception of the facts to have a lodgment in the mind of any one. Although he did not say so, I understood at once that the French Minister was probably disturbed about the American note.

Confirmation was given to this probability in the fact that no sooner had Casenave left me than the German Minister called. He also had some confusion of mind as to what the American note meant. He had no information about it except the telegram to which reference is made. He seemed to think that some understanding between United States and Germany had been reached, whereby the two countries would act in accord regardless of every other nationality. He was very much pleased at the thought, and was apparently disappointed when I told him I understood the note to be only a reaffirmation of the principle of cooperation between the powers, heretofore expressed in notes exchanged between them.

I then concluded I had better see the French Minister. I called upon him, referred to the published telegrams, and said I thought he would be interested to know more about the nature of the note; and, thereupon I read him a paraphrase of it as it was communicated to this Legation, February 7th, by the Embassy at Tokyo. The tenor of the note seemed to please him very much. His expression, which was rather strained when I went in, changed at once to one of evident pleasure and relief. He then commented very freely on the local situation and seemed especially friendly.

I then called on the British Minister, and, in course of a general conversation, reference was made to the Berlin telegrams. I told him I had with me a paraphrase of the note itself, but he said his Government had sent him a copy of the note in full, and that it was all right. I saw that there was no misconception in his mind, that the "bugaboo" of an American-Germanic alliance had not disturbed him.

Mr. de Margerie, in the conversation I had with him, to which I have above referred, also discussed the Russian opposition to the quadruple financial combination. He said he thought something ought to be done to avoid the complaint of Russia. And he suggested that owing to the radical change in the political situation in China,

when

once order was restored, advantage can be taken of such change to revise the currency loan contract. Such a revision will have to be made anyhow. In which event, the Russian objections can be avoided by providing for other securities than Manchurian revenues and by the omission of the Manchurian features of the contract altogether. He expressed the opinion that the Chinese themselves will find, for sometime to come, abundant opportunity for the exercise of their best efforts in the eighteen provinces alone; and that foreign activity, in the way of loans, should be limited to the same field of operation.

I also have it from a private and strictly confidential source that M. Shekine, the Russian Chargé d'Affaires, says that Russia will insist on a disruption of the present financial combination and upon the formation of a new one, which will include only English, French, Russian, Belgian and Japanese interests, excluding American and German interests entirely. I cannot vouch for the truth of this statement, although it comes from a source in every way credible, and one that would likely know it, if Shekine ever made the statement. It is to be supposed that Shekine only expressed his own wish, because he is equal only to Isvolsky in his intense opposition to Americans. He is an able fellow, but he is something of a sullen recluse, who goes out but little, and looks at the world through spectacles darkened with suspicion and resentment. He leaves here very soon, and a new minister comes, Kroupensky, by name, who may be, it is to be hoped, a little more liberal in his views.

Now that abdication is a fact, and the new government has appeared in the family of nations, about the first question with which the foreign powers will be confronted will be that of a loan, perhaps a large loan. And the next question will be whether or not the loan is to be internationalized, by admitting all the powers to participation, or by admitting only the six leading powers, or by confining the loan to the quadruple combination. It is reasonable to expect that the latter will not be able to resist the demand of Russia and Japan for admission; neither will China be able to resist it. It is therefore apparent that some consideration will have to be given to the policy to be adopted. I also beg to suggest that it is advisable to have a full understanding with the French about our relations to the groups, and that understanding should be had as soon as possible.

It is therefore probable that for some time to come American influence in China will be obstructed in every way possible. It is not enough that the Chinese people may be friendly to us. They have been, and doubtless will continue to be, the subject of foreign coercion of one kind and another that deprives them of freedom of action. They will not dare to oppose either Russia or Japan. They know that all the support we can give them is sentimental and philanthropical in its character.

If we had a fleet of battle ships ploughing the waters of the Pacific; if we had a foreign policy, persistent and consistent in its nature, and supported by the "big stick"; if the necessities of market conditions once came home to the American people in such a way as to make them support a national policy in the Far East, that insured the "open door" and equal opportunities, the attitude of other nations towards us might be very different. As it is, we are comparatively helpless. Diplomacy, however astute, however beneficent and altruistic, it may be, if it is not suppported by the force which not only commands but demands respect and consideration, it will avail but little.

I have the honor to be, Sir,

Your obedient servant,

Sgd. W. J. Calhoun

Enclosures:

Clippings, as stated.

Sub. Executive Orders of Yuan Shih K'ai

Ref. ....

Ind. ....17 FEB 1912....

Peking,

No. [illegible]

February 16, 1912.

Ack by card
Mar 20, 1912

The Honorable
The Secretary of State,
Washington.

Sir:

I have the honor to send enclosed in duplicate, translations of Executive Orders issued by His Excellency Yuan Shih-kai to his subordinates, of February 13th.

I have the honor to be, Sir,
Your obedient servant,

Enclosures;
As above stated.

Executive Order.

Issued February 13, 1912.

Plenipotentiary Yuan to the Soldiers and Police.

The unification of the country has now been published. In this period of the beginnings of our Government the maintenance of local order is fraught with the highest importance. All depends on the cooperation of soldiers and police in protecting it, and saving the people from fright and annoyance.

Soldiers and police have severally declared in favor of the Union and in this way they have long been joined. It is now even more incumbent on them to perform their individual duties and unite their energies in affording protection. Former military laws and police regulations must be continued on unchanged, thus tending to the consolidation of governmental power and the maintenance of order.

Disturbances of the peace on any pretext by worthless and light-minded men must, on proper conviction, be punished, in the interests of the General Good.

All grades of officers are directed to make public this Order, maintain the strictest discipline and guard scrupulously against the slightest laxity, for the latter will incur the severest censure. An order.

Executive Order.

Issued (by telegraph) on February 13, 1912.

Plenipotentiary Yuan Shih-k'ai to the Viceroys, Governors, Prefects, Departmental Magistrates and District Magistrates of the North.

His Imperial Majesty the Ta Ch'ing Emperor has now publicly proclaimed a change in the government and the adoption of the "United" form. All the people of our country should know that the abolition and change that have now taken place are to make way for the setting up of institutions not hitherto possessed in our country. It is not the replacing of an old Prince with a new one, but the transformation of a monarchical into a republican government. As a consequence, therefore, the sovereign powers of our country will not revert to a single family for its sole control, but will be the common attribute of our four hundred million people. The people of our Chinese nation, whether Manchus, Chinese, Mongols, Mohammedans, or Tibetans, of whatever stock, have all in one act changed from being the subjects of the late despotic dynasty to the condition of citizens of the Union, with equal political rights.

This is the supreme glory of China and the nation in its splendor has few to resemble it.

But now is the time when the old is giving way to the new, when misery and happiness stand out contrasted. If evils are not eliminated in the foundation

tion how dismal will be the failure. We are all the people of the nation and have our individual duties ordained of Heaven. There must be no shrinking away from the difficulties of this beginning.

I, Yuan Shih-k'ai, have with mistaken temerity undertaken the task of creating the Provisional Government. My abilities are inadequate and the burden onerous. How can I prove equal to the charge placed upon me. I must depend upon the upright literati and officials to exert to the full their knowledge and their powers in formulating policies and in rendering assistance. You, Viceroys and Governors of years of experience, should, taking cognizance of the general state and the inclinations of the people, be animated with the desire to fulfil the craving of your brothers for peace. Only thus can you measure up to the expectations of His Imperial Majesty the Ta Ch'ing Emperor in renouncing the Throne.

If the ignorant populace spread false rumors you must render everything intelligible by explanation, giving them advice and assistance. They must be directed each to pursue his vocation in peace and to avoid all stirring up of strife. This is most important.

Territorial officials, previous to the inauguration of the new system, shall continue to perform their duties as heretofore. All the responsibilities and functions of each office, including the custody of public funds and property, must be carried on as usual, maintaining without the slightest relaxation the most complete protection and control.

In a word, in the United Nation the voice of the people determines the character of the laws. Once the state of the nation is fixed nothing may be shaken. Every man is under obligation to yield to the laws of the land.

Although I, Yuan Shih-k'ai, am without intelligence, yet do I desire strenously to cooperate with you all in the conduct of events. These, my inmost convictions, I now make public. It is my hope that you will pay due heed.

(Signed) Plenipotentiary Yuan.

Sub. Telegrams........

Ref. ....

Ind. March 9, 1912.

Peking,

No. 462 March 8, 1912.

Ack. by card - April 2 - 1912.

The Honorable

The Secretary of State,

Washington.

Sir:

I have the honor to transmit herewith translations of certain public documents and telegraphic correspondence called into existence by the abdication of the Emperor on the 12th instant and the election of Yuan Shih-kai as Provisional President on the 15th instant.

These documents I have roughly classified as follows: Telegrams exchanged after the abdication; telegraphic correspondence regarding the election of Yuan to the Presidency; congratulatory telegrams after Yuan's election; and miscellaneous documents. It is not to be understood that these enclosures comprise all the documents in their respective classes, for not all have been published, but there are sufficient of each to indicate the general trend.

In the first group I have the honor to enclose copies of telegrams from President Sun Yat-sen, Vice President Li Yuan-hung and the Assembly at Nanking to Yuan, sent after the abdication, and Yuan's reply to Li. While they evince the most profound satisfaction at the abdication and great gratitude to Yuan for having been the instrumentality in bringing it about, they indicate the anxious desire that their victory shall be rendered absolute and conclusive by Yuan's going to Nanking for inauguration as President. To their request that he come to Nanking Yuan interposed the objection that for him to do so would result in international complications and internal disorder, with which view public opinion very largely coincided.

The second group of enclosures is composed of telegraphic correspondence between Sun Yat-sen and Yuan Shih-kai relative to the latter's succession to the Provisional Presidency and of Yuan's telegram to the Assembly at Nanking accepting the office. Yuan and Sun mutually protest their entire inadequacy to the requirements of the post and their desire to retire to private life as plain citizens of the new republic.

The congratulatory telegrams showered on Yuan after his election were numberless and came from all parts of the world. They ascribe all possible virtues to the new President and prognosticate his undying fame as the first President of the first republic in Eastern Asia, the second George Washington of history. Originating as they do from all classes of society and from all the varied races of which the nation is composed, they would lead to the supposition that all animosity had been forgotten in confident allegiance to the new chief. The telegrams selected for transmission to the Department but represent numberless others of similar tenor.

Under the head of miscellaneous documents I have the honor to enclose a telegram from Chang Tsolin, the bandit chief enrolled under the Viceroy of Manchuria, indicating the sinister results likely to follow Yuan's departure for Nanking, and two Executive Orders issued by the President. The former of these directs the adoption of the solar calendar in commemoration of the change in government, and the latter is a general exhortation to the influential classes of the nation to maintain peace and exert their energies in combatting the difficulties of the transition period.

I have the honor to be, Sir,

Your obedient servant,

Enclosures:

Translations of numerous telegrams, as stated.

Telegram.

Sun Yat-sen to Plenipotentiary Yuan.

February 14, 1912.

Today I, with the heads of all the Ministries, tendered our resignations to the Assembly, which were accepted, to take effect at the time of taking over of the office by the new President. At the same time I urged your election to the post of Provisional President. Tomorrow at two o'clock the Assembly will meet in electoral session. This telegram is for your prior information. Wu T'ing-fang and Tong Shao-yi have already arrived.

(Signed) Sun Yat-sen.

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Reply of Plenipotentiary Yuan to Sun Yat-sen.

February 15, 1912.

To President Sun:

I have received and noted the contents of your kind telegram, and am troubled by a myriad emotions of shame and fear. I admire inexpressibly your spirit of modesty. But the difficulties of the time are legion, numberless beginnings await attention. They cannot be coped with by the mistaken use of such men as I. I Should heedlessly rush into the office without making an estimate I would do justice neither to the heavy responsibility laid upon me by the people, nor the hearty recommendation made by yourself. I sincerely hope that the Assembly will chose someone of virtue and ability and permit me, Yuan Shih-k'ai, to spend my time in seclusion as a plain citizen of the Republic. This would satisfy my every ambition. As for what remains unsaid in this message, I have asked Tong Shao-yi to communicate it in my behalf.

~~(Signed~~ (Signed) Yuan Shih-k'ai.

"Hsien"

Telegram.

The Assembly at Nanking to Plenipotentiary Yuan.

(Probably) Feb. 13, 1912.

We have received your two "Chen" telegrams.

The Monarchy has now terminated and the Republic has been firmly established. To you, Sir, is due the chief credit for this, as the whole nation acknowledges. On behalf of the entire country the Assembly renders you most grateful thanks.

Long live the Union.

Long live the Republic.

(The Assembly.)

"Han"

Telegram.

President Yuan to Sun Yat-sen.

February 15, 1912.

The two telegrams despatched by me to you yesterday have, I presume, been received. Your telegram has just been received by me and I am stricken with confusion. At the present time the new form of government is being fixed and hidden dangers are many. Every citizen of the country should contribute his moiety of effort. But my own estimate of my ability reckons it as far from equal to the assumption of this vast responsibility. I reflect only discredit on the Assembly in its formal election of myself. I picture to myself your splendid talents displayed in beginning the work ~~as followed by~~ as followed by my own paltry powers and I perspire with shame. My personal desires begin and end with advantage to the nation and happiness to the people. At this time of critical danger when the people with one voice have placed upon me the responsibility of these arduous duties would I dare not to exert myself to the full to perform my part as a public servant?

Nevertheless, the difficulties already referred to by me are actual ones. I have been the recipient of your deep affection and I have therefore spoken thus fully and without reserve. I pray for your indulgent consideration.

When the Special Agent shall arrive in Peking I will consult with him personally as to some course of action. Will you be so good as to inform me by telegraph with regard to the person selected for this mission and the date of his departure?

This in respectful reply.

(Signed) Yuan Shih-k'ai.

"Hsien"

Sub. Oath of office as president of the Provisional office.

Ref. ....

Ind. March 16th, 1912.

Peking,

No. 469 March 14, 1912.

Ack. by card — April 12, 1912

The Honorable

The Secretary of State,

Washington.

Sir:

With reference to my telegram of March 9, 12 noon, I have the honor to report that His Excellency Yuan Shih-kai was inaugurated as President of the Provisional Government of the Republic of China on March 10th at 3:00 P. M. I am sending herewith translation of the oath of office. The oath was self-administered.

I have the honor to be, Sir,

Your obedient servant,

(Sgd) W J Calhoun

Enclosure:

Translation of oath of office.

Enclosure No. — in Despatch No. 469
Mar 14, 1912, from
the American Legation at Peking.

Oath of the Provisional President.
(tr)

March 10, 1912..

Now at the founding of the Republic numberless projects await inception. I, Yuan Shih-k'ai, desire to use my utmost endeavors in the attaihment of the following ends: to promote the vigor of the Republic; to eradicate the evils of a monarchical government; to obey the Constitution implictly; to abide by the will of the People; to bring the nation to a condition of peace and power; and to ensure to the Five Great Races of the People equal enjoyment of this felicity and benefit. In these endeavors I will continue steadfast and without change, until such time as the National Convention shall convene and elect the First President, when I, Yuan Shih-k'ai, will at once resign my office.

To this my true and loyal oath I now in reverence swear and do proclaim the same to all my Brethren.

(Signed March 10, 1912)

Yuan Shih-k'ai.

Sub. Translation of four proclamations issued by the newly inaugurated President —

Ref. ....

Ind. March 16th 1912.

Peking,

No. 471

March 14, 1912.

The Honorable

The Secretary of State,

Washington.

Sir:

I have the honor to report that the newly inaugurated President issued a series of four proclamations, on the 10th instant, translations of which are enclosed.

The first pardons all prisoners except those confined for robbery and murder.

The second urges the cooperation of all civil and military officials in promoting the welfare of the Republic.

The third announces that the old laws, except those inconsistent with the new form of government, shall remain in force.

The fourth remits taxes in arrears and urges that the debts of the farming class should not be pressed.

I have the honor to be, Sir,

Your obedient servant,

(Sgd) W. J. Calhoun

Inclosures:

Translations of proclamations, as stated.

Proclamation issued by Provisional President of China
Yuan Shih-k'ai, March 10, 1912.

(tr)

My countrymen have suffered much from arbitrary government nad have suffered from military oppression. The farming class has met with great losses. Their debts should not be pressed. Land taxes and other taxes imposed before the 1st year of the Republic and now in arrears are all remitted. They are not to be demanded by the officers. Let my people devote themselves to agriculture and the industries, so as to prosper and multiply and ascend to new heights of prosperity.

Proclamation issued by Provisional President Yuan Shih-k'ai, March 10, 1912.

(tr.)

The Republican Code of Laws is not yet drawn up and promulgated. The laws previously enacted including the new Criminal Code (with the exception of such provisions as are inconsistent with the Republican form of government and which ought therefore to become inoperative) shall remain temporarily in force and must be obeyed.

Proclamation issued by Provisional President Yuan Shih-k'ai, March 10, 1912.
(tr)

I have been elected President and have taken office on this the 10th day of the 3rd month of the 1st year of the Republic. I am conscious of my lack of merit and ability, and undertake the responsibilities of my office with trembling. I only fear that I may commit some disastrous error. But now that our Republic is established and the government being organized I am striving to secure peace and prosperity. There are innumerable matters to be attended to and great difficulty will be experienced. In all I must depend upon the loyal cooperation of all the civil and military officials. The people count on all the officials showing real patriotism. Let not the old abuses be repeated. Bear your responsibilities honestly. Let selfishness be eradicated and a regard for the public welfare be the guiding influence. Devise ways of restoring order and unifying the government. I, the President, will cooperate with you to the utmost of my ability. We must consult frankly together. We must observe the same rules to secure good results. So we may hope to settle the important affairs and make firm the foundations of our nation. Therefore I, the President, am working diligently and trust that all you officials will exert yourselves with me.

Proclamation issued by Provisional President Yuan Shih-k'ai, March 10, 1912.
(Tr)

In changing the form of the government the first important thing is to sweep away grievances. My people have suffered much under arbitrary rule. They have not been taught, but have incurred penalties. The government has been unjust in many ways. Men have been imprisoned without their having been guilty of any crime. Now the Republic is established and the old abuses must be eradicated,,and all things be made new. All of my fellow countrymen who are unfortunately undergoing sentences dated before the 10th of March of the 1st year of the Republic, excepting only sentences for the crimes of murder and brigandage, are all pardoned, and this pardon is granted whether the crimes charged are serious or unimportant, whether clearly proven or not, whether the case has been closed or not.

Walk, my fellow countrymen, in the right path. Cherish the law in your hearts. Do not wander in forbidden paths, and so protect the lives and reputations of our fellow countrymen forever.

Sub. Translation of the Provisional Constitution of the ~~[illegible]~~ Republic of China I

Peking,

No. 482 Ref. .... March 20, 1912.

Ind. ....

The Honorable

The Secretary of State,

Washington.

Sir:

I have the honor to enclose herewith copies in translation of The Provisional Constitution of the Republic of China.

I have the honor to be, Sir,

Your obedient servant,

(Sgd) W. J. Calhoun

Enclosure:

The Provisional Constitution of the Republic of China.

THE PROVISIONAL CONSTITUTIONAL OF THE REPUBLIC OF CHINA.

CHAPTER I. General Provisions.

Article 1. The Republic of China is composed of the Chinese people.

Article 2. The sovereignty of the Chinese Republic is vested in the people.

Article 3. The territory of the Chinese Republic consists of 22 provinces, Inner and Outer Mongolia, Tibet and Chinghai.

Article 4. The sovereignty of the Chinese Republic is exercised by the Advisory Council, the Provisional President, the Cabinet and the Judiciary.

CHAPTER II Citizens.

Article 5. Citizens of the Chinese Republic are all equal, and there shall be no racial, class or religious distinctions.

Article 6. Citizens shall enjoy the following rights:--

(1) The person of the citizens shall not be arrested, imprisoned, tried or punished except in accordance with Law.

(2) The habitations of citizens shall not be entered or searched except in accordance with law.

(3) Citizens shall enjoy the right of the security of their property and the freedom of trade.

(4) Citizens shall have the freedom of speech, of composition, of publication, of assembly and of association.

(5) Citizens shall have the right of the secrecy of their letters.

(6) Citizens shall have the liberty of residence and removal.

(7) Citizens shall have the freedom of religion.

Article 7. Citizens shall have the right to petition the Parliament.

Article 8. Citizens shall have the right of petitioning the executive officials.

Article 9. Citizens shall have the right to institute proceedings before the Judiciary and to receive its trial and judgments.

Article 10. Citizens shall have the right of suing officials in the Administrative Courts for violation of law or against their rights.

Article 11. Citizens shall have the right of participating in civil examinations.

Article 12. Citizens shall have the right to vote and to be voted for.

Article 13. Citizens shall have the duty to pay taxes according to law.

Article 14. Citizens shall have the duty to enlist as soldiers according to law.

Article 15. The rights of citizens as provided in the present Chapter shall be limited or modified by laws provided such limitation or modification shall be deemed necessary for the promotion of public welware, for the maintenance of public order or on account of extraordinary exigency.

CHAPTER III.-- The Advisory Council.

Article 16. The legislative power of the Chinese Republic is exercised by the Advisory Council.

Article 17. The Advisory Council shall be composed of members elected by the several districts as provided in Article 18.

Article 18. The Provinces, Inner and Outer Mongolia, and Tibet shall each elect and depute five members to the Advisory Council and Chinghai shall elect one member.

The election districts and methods of elections shall be decided by the localities concerned.

During the meeting of the Advisory Council each member shall have one vote.

Article 19. The Advisory Council shall have the following powers:--

(1) To pass all law bills.

(2) To pass the budgets of the Provisional Government.

(3) To pass laws of taxation, of currency and of weights and measures for the whole country.

(4) To pass measures for the calling of public loans and to condlude contracts affecting the National Treasury.

(5) To give consent to matters provided in Articles 34, 35 and 40.

(6) To reply to inquiries from the Provisional Government.

(7) To receive and consider petitions of citizens.

(8) To make suggestions to the Government on legal or other matters.

(9) To introduce interpellations to members of the Cabinet and to insist on their being present in the Council in making replies thereto.

(10) To insist on the Government investigating into any alleged bribery and infringement of laws by officials.

(11) To impeach the provisional President for high treason by a majority vote of three-fourths of the quorum consisting of more than four-fifths of the total number of the members.

(12) To impeach members of the Cabinet for failure to perform their official duties or for violation of the law by majority votes of two-thirds of the quorum consisting of over three-fourths of the total number of the members.

Article 20. The Advisory Council shall itself convoke, open and adjourn its own meetings.

Article 21. The meetings of the Advisory Council shall be conducted publicly but secret meetings may be held at the instigation of members of the Cabinet or by the majority vote of its quorum.

Article 22. Matters passed by the Advisory Council shall be communicated to the Provisional President for promulgation and execution.

Article 23. If the Provisional President should veto matters passed by the Advisory Council, he shall, within ten days after he received such resolutions, return the same with stated reasons to the Council for re-consideration. If the same matter should again be passed by a two-thirds vote of the quorum of the Council, it shall be dealth with in accordance with Article 22.

Article 24. The President of the Advisory Council shall be elected by ballots signed by the voting members and the one who receives more than one-half of the total number of the votes cast shall be elected.

Article 25. Members of the Advisory Council shall not, outside the Council hall, be responsible for their opinions expressed and votes cast in the Council.

Article 26. Members of the Council shall not be arrested without the permission of the President of the Council except for crimes committed at the time of arrest and for crimes pertaining to civil and international warfare.

Article 27. Prodedures of the Advisory Council shall be decided by its own members.

Article 28. The Advisory Council shall be dissolved on the day of the convocation of the National Assembly and its powers shall be exercised by the latter.

CHAPTER IV. The Provisional President and Vice President.

Article 29. The Provisional President and Vice President shall be elected by the Advisory Council and he who receives two-thirds of the total amount of votes cast by a sitting of the council consisting of over three-fourths of the total number of members, shall be elected.

Article 30. The Provisional President represents the Provisional Government as the fountain of all executive powers and for promulgating all laws.

Article 31. The Provisional President may issue or cause to be issued orders for the execution of laws and of powers delegated to him by the laws.

Article 32. The Provisional President shall be the commander-in-chief of the army and navy of the whole of China.

Article 33. The Provisional President shall ordain and establish the administrative system and official regulations, but he must first submit them to the Advisory Council for its approval.

Article 34. The Provisional President shall appoint and remove civil and military officials, but in the appointment of Members of the Cabinet, Ambassadors and ministers, he must have the concurrence of the Advisory Council.

Article 35. The Provisional President shall have power, with the concurrence of the Advisory Council, to declare war and conclude treaties.

Article 36. The Provisional President may, in accordance with law, declare a state of siege.

Article 37. The Provisional President shall, representing the whole country, receive ambassadors and ministers of foreign countries.

Article 38. The Provisional President may introduce bills into the Advisory Council.

Article 39. The Provisional President may confer decorations and other insignia of honor.

Article 40. The Provisional President may declare general amnesty, grant special pardon, commute a punishment, and restore rights, but in the case of a general amnesty, he must have the concurrence of the Advisory Council.

Article 41. In case the Provisional President is impeached by the Advisory Council, he shall be tried by a special court consisting of nine judges elected among the justices of the supreme court of the realm.

Article 42. In case the Provisional President vacates his office for various reasons, or is unable to discharge the powers and duties of the said office, the Provisional Vice-President shall take his place.

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CHAPTER V.-- Members of the Cabinet.

Article 43. The Premier and the Chiefs of the Government Departments shall be called Members of the Cabinet (literally, Secretaries of State Affairs.)

Article 44. Members of the Cabinet shall assist the Provisional President in assuming responsibilities.

Article 45. Members of the Cabinet shall countersign all bills introduced by the Provisional President and all laws and orders issued by him.

Article 46. Members of the Cabinet and their deputies may be present and speak in the Advisory Council.

Article 47. After members of the Cabinet have been impeached by the Advisory Council, the Provisional President may remove them from office (but such removal shall be subject to the reconsideration of the Advisory Council.

CHAPTER VI. The Judiciary.

Article 48. The Judiciary shall be composed of those judges appointed by the Provisional President and the Chief of the Department of Justice.

The organization of the courts and the qualifications of judges shall be determined by law.

Article 49. The Judiciary shall try civil and criminal cases but cases involving administrative affairs or arising from other particular causes shall be dealt with according to special laws.

Article 50. The trial of cases in the law courts shall be conducted publicly, but those affecting public safety and order may be in camera.

Article 51. Judges shall be independent and shall not be subject to the interference of higher officials.

Article 52. Judges during their continuance in office shall not have their emoluments decreased and shall not be transferred to other offices, nor shall they be removed from office except when they are convicted of crimes, or of offences punishable according to law by removal from office.

Regulations for the punishment of judges shall be determined by law.

CHAPTER VII. Supplementary Articles.

Article 53. Within ten months after the promulgation of this Provisional Constitution the Provisional President shall convene a National Assembly, the organisation of which and the laws for the election of whose members shall be decided by the Advisory Council.

Article 54. The Constitution of the Republic of China shall be adopted by the National Assembly, but before the promulgation of the Constitution, the Provisional Constitution shall be as effective as the Constitution itself.

Article 55. The Provisional Constitution may be amended by the assent of two-thirds of the members of the Advisory Council or upon the application of the Provisional President and being passed by over three-fourths of the quorum of the Council consisting of over four-fifths of the total number of its members.

Article 56. The present Provisional Constitution shall take effect on the date of its promulgation and the fundamental articles for the organization of the Provisional Government shall cease to be effective on the same date.

Sealed by

THE ADVISORY COUNCIL.

March 10, 1st year of the Republic of China.

(Translation from Peking Daily News, verified by the Chinese Secretary.)

No. 531

Re opening of the National Council and the text of the address of the provisional President.

Peking.

May 2, 1912.

Sub. ....

Ref. ....

Ind. May 6, 1912 ....

The Honorable

The Secretary of State,

Washington.

Sir:

I have the honor to send enclosed in duplicate,, five clippings from the PEKING DAILY NEWS; three from its issue of April 30th and two from that of May 1st.

One of the former reports the opening of the National Council in Peking on April 29th, a second gives the text of the address of the provisional President of the Republic delivered on that occasion and the third is an editorial comment upon the event.

The clippings from the issue of May 1st are, first, an editorial commenting upon the policy outlined in the President's address, and secondly, the text of the Council's reply to the President's address.

The opening of the National Council was a noteworthy event and inasmuch as a rather serious disagreement developed among its members immediately after assembling which is but briefly mentioned in the clipping I have the honor to explain the reference more fully.

When the Council met it at once appeared that of the seventy-six members reported present a large number were never elected members of this National Council but were members of the Advisory Council that formerly sat at Nanking. Some of these were elected to that Council by their provinces and others were merely appointed by the military authorities of their provinces and both classes were held by some of the duly elected members of the National Council to be entirely without qualification to sit here. The question at once acquired serious importance when it appeared that there were two sets of delegates from the provinces of Hupei and Kiangsi; those belonging to the Nanking assembly and those elected since its supposed dissolution to sit in the National Council at Peking.

When the Council entered the chamber the former Chairman of the Nanking Advisory Council, Mr. Lin, at ~~once~~ took the chair and proceeded to seat both delegations from Kiangsi and Hupei, thus giving nine votes to the one and eight to the other as against five votes to each of the other provinces, allowed by the provisional constitution.

Protest was at once made against ~~the occupation of the~~

~~the Chair by Mr. Lin, and~~ against the seating of delegates not elected for this Council.

In the midst of the wrangle the President was announced and the whole question was laid a side until after the opening ceremonies.

A compromise was finally reached on the afternoon of May 1st, when it was decided that the representatives of Kiangsi and Hupei in the Nanking Assembly should withdraw, but that members of the Nanking Assembly now in Peking, who come from provinces as yet unrepresented here, should be allowed to sit in the National Council until duly elected representatives of these provinces shall arrive.

There are six provinces which as yet have held no election and to these yesterday telegrams were sent urging the immediate election of representatives.

The members of the Council having came to this agreement in an informal conference, then met and elected a Chairman and Vice Chairman. There are two strong parties represented, the T'ung Meng Hui - the Cantonese party and the party of Tong Shao-yi and Sun Yat-sen - and the T'ung I Hui. The latter elected its candidates. Mr. Wu Ching-lien of Fukien was chosen Chairman and Mr. T'ang Hua-lung of Hupei, Vice Chairman.

The Council meets in the hall which was formerly occupied by the provisional National Assembly and which is situated in the south-western part of the Tartar City. The President's House is in the eastern part of the Tartar City distant from the Council Hall about two miles and a half. To attend the opening of the Council the President set foot out of doors for the first time since the riots of February 29th. The streets through which he passed were heavily guarded with troops. He arrived at 10 o'clock a.m. and was escorted to the dais by the acting Chairman. The galleries were well filled with visitors.. Cabinet Ministers and other officers of the government occupied seats upon a raised platform to the left of the Chairman. All the members of the Council and all officers of the government were in European dress and nearly all of the visitors were clothed in the same fashion. One member had compromised by wearing a long European coat but keeping his long hair which was fastened with a hair-pin in a coil at the top of his head. There was perfect order throughout the exercises which were conducted in a very simple but dignified manner. The Acting Chairman made a few remarks in which he sought to enforce his view that this was none other than the Nanking Assembly transferred to Peking and then introduced President Yuan Shih-kai who was received with applause.

The President read his address and on its conclusion a reply was read by the Acting Chairman.

The address of the President which has been widely published in Chinese and in English made an excellent impression upon the foreign residents of China. It will be noticed that he recognizes the financial problem as the one of paramount importance. He speaks of the necessity of borrowing foreign capital and of improving the national credit by introducing financial reform.

He admitted, too, that China has few men qualified to undertake financial reforms, and this admission may, perhaps, have been intended to prepare the way for the engagement of foreign expert advice.

There is good reason however, to doubt the willingness of the present government to follow the advice of any foreigner however expert he may be.

The President promised to take up with foreign governments the question of increasing the import tariff, in return for which he means to abolish likin and the export duty.

He estimates that by so doing, the customs revenue can be increased from Tls. 44,000,000 to about Tls. 60,000,000. This does not appear to be a very careful estimate. The largest collection so far made by the Maritime Customs was about Tls. 37,000,000. The collections of the Native Customs amount to about Tls. 6,000,000, or a total of Tls. 43,000,000. We may however, accept his estimate of present income as Tls. 44,000,000. The treaties with the United States, Great Britian and Japan, provide for an increase of 7½ per cent in the import duty of the Maritime Customs in return for the abolition of likin. If importation should not be checked by this increase, the customs revenue would be augmented to Tls. 92,500,000.

But the abolition of the export duty would reduce this amount by Tls. 13,000,000, making the total income from the customs, Native and Maritime, of Tls.79,500,000.

The revenue from likin received by the central gov-

government

ernment was estimated in last year's budget as Tls. 43,000,000. This is probably an extravagant estimate. If we reckon it as Tls. 35,000,000, we shall be nearer the mark. But if likin be abolished the income of the government will be less by this amount, so that while the Customs revenue would be considerably increased the total revenue of the central government would remain about the same as before, i.e., Tls. 44,000,000.

The increase of the import tariff to 12½ per cent ad valrem would not, however, make good the total loss sustained by the abolition of likin and export duties since there is a large provincial revenue derived from the likin levy which has not been taken into account in the calculation made above. The demands of the central government upon the provinces in recent years have already left most of them with an annual deficit and if the likin also be taken away it is difficult to see how they are to meet the expenses of the provincial governments.

The reform of the land tax will be no less difficult, for the accretions to the ancient levy which have become legalized have been made necessary by the increased demands from Peking. If they be cut off, either Peking or the provinces must suffer the loss of revenue. A more economical not to say "more honest" administration would undoubtedly benefit the revenue, but the change of the form of government has not changed the character of the people. The Republic is not likely to be more economical than the empire.

The ignorance and poverty of the peasantry would make it dangerous to attempt a re-survey of the land or to increase the tax by any amount. At present in many places the peasants refuse to pay taxes at all on the ground that there is no longer an Emperor. They do not know what the word Republic means.

In short there is more than a suspicion that the passages of the address to which attention has been called were designed for foreign consumption.

I have the honor to be, Sir,

Your obedient servant,

Enclosures:

Three newspaper clippings, April 30, 1912.

Two newspaper clippings, May 1, 1912.

Peking, Tuesday, April 30th, 1912.

Opening of the National Council.

PRESIDENT YUAN'S ADDRESS.

I, Shih-Kai, having been elected to the present position by the people, am laboring day and night under the apprehension that I may not discharge my duties satisfactorily. I now, with sincerity and candidness, express the following to our people.

Those who entertain high ideals and aims will, no doubt, expect that what I am going to say at the beginning of my presidential career, will be far-reaching in its effect and full of novelty, but, under the present circumstances, I can hardly dare to entertain such an expectation.

The principle of government, both in ancient and modern times, consists in the establishment and maintenance of public order and in the clear definition and promulgation of legal systems so that externally there shall be good and friendly relationship and internally there shall be peace between the weak and the strong. It is with the realization of these ideals that the country can have her foundation well laid and her existence in the world perfectly secure. Recently, owing to the outbreak of the revolution, the people have lost their usual [illegible] and the government, as well as private individuals, is now confronted with great difficulties. Moreover, the soldiers are, generally speaking, ignorant of the precept of obedience and the people are [illegible] mindful of the public welfare. Among those who resort to empty discussions, many would neglect the practical side of the question, and among those who have their private interests to further, many would not for a moment cast aside their selfish aims. If such a state of affairs is allowed to exist without any effort being made to reform it, public order will be disturbed and legal institutions will be destroyed. It would indeed be difficult to secure the proper protection of life and property of the people; and it would be entirely out of the question to speak of the country as being in the best of trim.

I have heretofore entertained the policy of progressive reform and have not, in spite of many obstacles, been willingly conservative. I have tried hard to realize my object for the past several tens of years and my efforts, I believe, are well known and appreciated by our people. Especially at the present moment, when the country has just passed through the revolution, order should be speedily restored so that the economic condition of the people may be ameliorated, reconstruction work should be carried out with due care and energy, and all measures should be adopted with due regard to their practical value. For instance, in the construction of an edifice its foundation should be carefully selected and well laid, and labor and material should be properly chosen. All its layers should be solidly laid one over the other. Attention should not be devoted solely to the outward appearance of the edifice by taking particular pains in plaster work and adornment. The edifice when built after this fashion will be durable, but if built crudely and negligently, it is to be feared that before the four walls are erected the building will be already showing some signs of tumbling down. The damage thus sustained would indeed be great. Hence it is absolutely necessary that there should be a solid foundation on which the construction work is to be carried out with speed and resolution so that good results may be attained.

negligently, it is to be feared that before the four walls are erected the building will be already showing some signs of tumbling down. The damage thus sustained would indeed be great. Hence it is absolutely necessary that there should be a solid foundation on which the construction work is to be carried out with speed and resolution so that good results may be attained.

The important question of reconstruction is that regarding finance. Last year the budget though showing a deficit balance on the expenditure side nevertheless indicated an estimated revenue of over 260,000,000 taels. During the preceding semester trade has been paralyzed and there has been a marked decrease of the national revenue. Our indebtedness to foreign countries has not for the time being been discharged. We have to carry out political reforms, and in doing so we must import foreign capital. Consequently, it is necessary to decide on the essential features of our financial reform in order to augment our national credit. The sum of money annually required to repay our loan debts and indemnities with interest is about 50,000,000 taels. Our foreign loans have been generally secured by pledging the customs revenue, and others the *likin* duties. The indemnity loans have been secured by pledging the customs and the salt revenues.

We shall immediately negotiate with the treaty Powers for the increase of our customs duty. On the other hand the *likin* taxes will be abolished and the export duties decreased. The annual receipt of the Maritime and native Customs may thus be increased from 44,000,000 taels to over 60,000,000 taels, which will be more than sufficient to meet the repayment of the above mentioned loans. As to railway and other loans, they will be paid by railway and other receipts, any deficit to be made up from the salt revenue.

(*Continued on Page* 5.)

OPENING OF THE NATIONAL COUNCIL.

(*Continued from page* 1.)

There are yet foreign loans contracted by the different provinces amounting to over 10,000,000 taels. The amount of the Boxer Indemnity which fell due last winter and not yet paid, is over 12,000,000, taels. Both of these will be immediately paid up out of the big loan which will be secured by the new Government.

For meeting the needs of the government administration, an estimate will be immediately made in order to fix a schedule for spending the big loan properly. For the present, short period Treasury bonds will first be issued in order to meet the present and urgent needs. These bonds will be redeemed by the proceeds of the big loan. This step is the only feasible one for augmenting our national credit.

The Salt Gabelle will be reformed after western methods and its revenue will thus be increased to another 50,000,000 taels.

Land taxation will be improved. The evils practised by the former yamen runners will be eradicated, and the heavy burden on the people will be lightened. The lands hitherto unsurveyed will be done so by professional men properly selected, and a scale of taxation will be fixed.

The reform of the currency consists in the unification of the coinage system, and, being the most important part of our financial reforms, it will be put into effect without delay.

There are at present very few who are cognizant of financial matters in our country, and such as we have are lacking in experience. Hereafter, in the inauguration of the various political institutions it will be necessary to employ talent from other lands for their guidance and expert advice.

At the beginning of our Republic the industrial develop-

At present there are multitudinous and heterogenious troops. Their number is far larger than is [illegible] and the expense for their maintenance is unusually great. It is too heavy a burden for the country to bear. The Department of Finance and the Department of War have already been instructed to devise and enforce measures to provide for the soldiery.

In view of the religious liberty of the people, all religions will be regarded as being on the same footing and there will be no discrimination against any particular [illegible]. There should be mutual respect and avoidance of mutual distrust among the people irrespective of whether they practise any particular religion or not, or whatever faith they may embrace, so that they may all share in the enjoyment of public peace and happiness.

The Chinese people have their customs and traditions to maintain, and it is difficult to effect, within a short timo, the unification of usages and practice. Education is not yet universal in its application, and reform still meets with obstruction and doubt by the people. "Esprit de corps" is still lacking among the soldiery, and their training must be directed toward the improvement of their morale. As the legal system is not yet completely established, some of the people still waive their legal rights. The means of Communication are not yet perfected and local prejudice still prevails. With regard to all these matters the Secretaries of State will consult together from time to time to effect improvement.

During recent years the foreign Powers have generally adopted a peaceful and just attitude towards us, demonstrating their friendly intention to assist and cooperate with us. This, without doubt, testifies to the present state of civilization, and we must feel grateful for their friendly spirit. Our people should therefore clearly understand this idea, and should consider as of the first importance that we should treat with them frankly and sincerely with a view

[illegible] maintain a feeling of [illegible] harmony. I profoundly wish [illegible] may regard each other [illegible] and good faith and [illegible] each other with mutual [illegible]. The country can [illegible] when the [illegible] tain but one mind.

The Premier, Mr. Tang, and the Secretaries of State [illegible] are all talented men who are well able to cope with the [illegible] condition. I [illegible] on their cooperation [illegible] the good weal of [illegible] and hope that the people [illegible] their full confidence in them and give them their support.

it will be necessary to employ talent from other lands for their guidance and expert advice.

At the beginning of our Republic the industrial development of our country must first be looked into. Hence there have been established the Department of Agriculture and Forestry and the Department of Industry and Commerce, in order to work out the idea of subsidy and encouragement. Students in the different schools will also be specially trained in industrial pursuits so as to consolidate the foundation of the country. The industry of the country is still in its infancy. In brief, China is really an agricultural country. The reclamation of waste lands, forestry, pasturage, fishery, tea and mulberry industries are riches hidden in the soil and are resources waiting to be developed. I wish our people would not look up to the air to gain their livelihood but should concentrate their attention to what is underneath their feet. Take the mineral resources, for instance. It is especially necessary that all mining regulations should be revised without delay, with the primary object of giving the people themselves facilities for developing the resources of the country. A liberal policy will be adopted in order to secure its general acceptance by the masses. Moreover, Commercial laws, uniform weights and measures should be speedily adopted and enforced.

we must feel grateful for their friendly spirit. Our people should therefore clearly understand this idea, and should consider as of the first importance that we should treat with them frankly and sincerely with a view to consolidating our international relationship. All the treaties concluded heretofore will be observed implicitly, and those international engagements which have not been performed will be promptly undertaken.

The people may indeed be very joyful over the adoption of a Republican regime after having been, for thousands of years, under the rule of despotism, but I am greatly concerned over the fact that they have not progressed. I sincerely hope that our people may constantly realize that there is room for much improvement, and not

PEKING DAILY NEWS April 30th, 1912.

THE FIRST MEETING OF THE NATIONAL COUNCIL.

Yesterday morning, in the building of the old Tzucheng Yuan, the President formally opened the National Council.

Exactly at ten o'clock seventy-six members of the Council entered the hall and took their assigned seats. Variously dressed they attracted no little attention from the visitors who were then gradually filling the gallery. Crowded though the hall was there was yet room for some suffragists who dropped in from time to time. The attention of the crowd was now shifted to the militant fair sex. Their interest, however, was soon directed to the members of the Cabinet who, headed by Premier Tang, marched into the hall and seated themselves in the first row of seats just below the speaker's platform. The whole House rose and music was played when in walked the President who took his seat in the centre of the platform. He was formally ushered to the speaker's stand after a brief introduction by Mr. Lin Shen, Chairman of the Council. President Yuan's lengthy, and well worded address and the forcible manner with which he delivered it won a loud and prolonged applause from the House. Chairman Lin then followed with a short address. At eleven o'clock the House adjourned when the President and his Cabinet members retired. A group picture was taken to commemorate the occasion. There developed later a warm discussion concerning the legality of the Chairman's action in the meeting. Thirty-seven members out of a total of seventy six went back to the hall and a lively debate went on. The Speaker was questioned of his right to permit nine Hupeh and eight Kiang-si members to remain in their seats while each province was legally entitled to only five seats.

The Chairman, it was charged, failed to ask the members appointed by the Tutuhs of Hupeh and Kiangsi to leave the Council when the new members recently elected by the people of these two provinces had already arrived. It was argued if the organization of the Council was still imperfect how could it be possible to carry on business in any of the future meetings. The debate went on for an hour and half with much pounding of the desks and Stamping on the floor.

[illegible] DAILY NEWS April 30th, 1912.

THE
Peking Daily News.

PATRIOTIC BUT IMPARTIAL.

Tuesday, April 30th, 1912.

THE OPENING OF THE NATIONAL COUNCIL.

The Republic of China witnessed yesterday the opening of her long-wished for National Council, which, in spite of many delays and imperfections, is justly entitled to reverence and gratitude from all those who, in any part of the country no matter what race and religion, expect to enjoy the blessings of popular government. Mingled with this joy there are anxieties and apprehensions when the importance of this august Assembly is considered. Indeed, it is not too much to say that the fate of the Republic depends upon the first example it is going to set. The whole world will observe its proceedings with intense interest. It is interested because it is the first time in the history of Asia that a president of a republic formally opens a council of representatives.

Two years ago very few thought much of the National Assembly of China which was considered to be more or less an experiment. The National Assembly then was only to be a peculiar institution, a kindergarten in which the paternal Throne thought that its docile children could play with this pet, constitutional government, with its teeth removed and its claws out. In other words the two hundred delegates were enabled to talk and debate on subjects which the Throne chose to submit to them and to make their decisions according to the [illegible] of the Throne. "It was expected," says the New York Sun, "to be mild genteel talk and tea affair."

But let this great Council [illegible] not forget what the previous National Assembly had done to pave the way for the incoming of [illegible] and independence. It had [illegible] valuable services in coercing the Prince Regent, impeaching the [illegible] Council, compelling the institution of a modern Cabinet, electing the Prime Minister of that Cabinet, [illegible] excluding all Manchu nobles from [illegible] forcing the Emperor to accept [illegible] consititution, and, finally, effecting his abdication. Though it died [illegible] natural death the National Assembly's short record is full of [illegible] and interest. It has brought about the change of the form of government. There are many things to be done yet by this new Council. There can be no doubt that in our very first legislative body there may be discerned a party of members anxious to preserve, and a party eager to reform. Let the difference between them be a difference in degree but not in principle. In passing the laws, in adopting the budget and in many other acts necessary for the reconstruction of the government, let the Council work together and not divide against itself. Time should not be wasted in discussing parliamentary technicalities and making eloquent orations. The chief function of the members is to advise the government in a practical and workable way. To attend them, they must remember that the actual popular rule is dated from the first day they are in session and that "well begun is half done."

THE
Peking Daily News.

PATRIOTIC BUT IMPARTIAL.

Wednesday, May 1st, 1912.

THE GOVERNMENT'S POLICY.

The President's Address to the National Council, a translation of which we published in yesterday's issue, seems to have already made a profound impression on the people. Though the President professes no novelty or far-reaching effect in his remarks, the Address is nevertheless a novelty in itself, being the first address of the first President of the young Chinese Republic. The Address has, for its object, the official publication of the Government's Policy through the Chief Magistrate of the Chinese State, and if the policy or promises of the Government should be carried out faithfully and judiciously, its effects will certainly be salutory.

Briefly speaking, the policy of the Government consists of the enforcement of two fundamental principles, viz, the establishment and maintenance of public order and the clear definition and promulgation of legal institutions. As the President is himself in favor of progressive reform, it may safely be presumed that the Government will be a progressive and liberal one instead of being conservative as was the case under the old regime.

As regards the reconstruction work of the Government or the establishment and maintenance of public order, money is indispensable. As the national revenue will be very uncertain owing to all trade and industry having been paralyzed by the revolution, the *sine qua non* for the carrying on of the Government will be the importation of foreign capital in the nature of foreign loans. The big loan which will have to be President deplores the lack of men who are well versed in the theory and practice of the Science of Public Finance, and dwells upon the necessity of employing foreign advisers with a view to securing their guidance and expert opinion.

Upon the inauguration of all the reforms in our financial affairs, the President expects that the customs revenue will be increased from 44,000,000 to 60,000,000 taels and the income from the Salt Gabelle may also be increased to 50,000,000 taels. With a revised scale of land taxation, the revenue will also come to an enormous amount.

China has been and still is an agricultural country, and her numerous natural resources are waiting to be developed. The proper development of her agricultural pursuits is enough to enrich the present poverty-strickened masses, and this coupled with the development of her mineral resources and other industries will, it is believed, enable the world to get much more from the increase of trade and the purchasing capacity of the Chinese. The President has sounded the proper sentiment as well as unconscientiously made a precept for the people to abide by, when he wished "the people would not look up to the air to gain their livelihood but should concentrate their attention to what is underneath their feet."

In the nature of social reforms, the President says that as the people are entitled to enjoy religious liberty, there will be no discrimination against any particular one, Universal education is touched upon and the moral training of the soldiery received attention. The President remarks that communications in the country should be perfected in [illegible] to remove local prejudices. The advice of the President that the Chinese people should treat each other with justice and candor is [illegible], the *sine qua non* for the carrying on of the Government will be the importation of foreign capital in the nature of foreign loans. The big loan which will have to be obtained by the Government will, in addition to furnishing the means for operating the administrative machinery, be expected to perform the dual capacity of discharging China's old indebtedness and enabling it to realize the President's promises of reform.

Under the heading of reform, one may include the financial, industrial and social reforms promised by the President who looks forward to the assistance and support of the Chinese people. In the nature of financial reform, one may mention the abolishment of *likin*, the reduction of export duty and the increase of import duty. As this reform touches our international engagements, the President has therefore promised to approach the treaty Powers in this regard.

There are also promised improvement in the administration of the Salt Gabelle, the reform in land taxation, and the currency reform. In order to carry out all these reforms with success, it is indispensable that the Government should secure the services of financial experts. In this connexion the country should be [illegible] to remove local prejudices. The advice of the President that the Chinese people should treat each other with justice and candor is indeed a valuable lesson to be always remembered by every true citizen of the Republic.

Regarding the question of our international relationship, what the President says in his Address is worth reproducing here as airing a true and noble sentiment. He says:—During recent years the foreign Powers have generally adopted a peaceful and just attitude towards us, demonstrating their friendly intention to assist and cooperate with us. This, without doubt, testifies to the present state of civilization, and we must feel grateful for their friendly spirit. Our people should therefore clearly understand this idea, and should consider as of the first importance that we should treat with them frankly and sincerely, with a view to consolidating our international relationship. All the treaties concluded heretofore will be observed implicitly, and those international engagements which have not been performed will be promptly undertaken."

The Address, it may be observed, is statesmanlike, and reflects much credit upon his government. It is to be hoped that the Address has made as favorable an impression upon our foreign friends as it has upon the Chinese, and that our new Government will be able, by virtue of its avowed policy, to gain their confidence and early recognition.

Peking, Wednesday, 1st May, 1912.

REPLY OF THE NATIONAL COUNCIL TO THE PRESIDENT'S ADDRESS.

On this day, the 29th of April of the 1st year of the Republic, we assemble in this hall to witness the opening of the National Council by Provisional President Yuan. As representatives of the people we utter the following words to commenorate this auspicious occasion.

Among the nations of the world, we find various forms of government but the best is the government of the people, by the people, and for the people. The Revolution, begun in Wuchang, has now culminated in the union of the North and the South. Now, with the establishment of a central government, and the convocation of the National Council by the President we representing the five divisions of our race, rejoyce over our good fortune. However, to rejuvenize a nation four thousand and odd years old, to wipe away the evil traces of despotism that have flourished for twelve dynasties, to clarify the infected atmosphere of modern society,—these are tasks difficult even to the able. It is our sincere hope that the President and the departmental executives will exercise great care in choosing their subordinates, and display judgment and wisdom in the administration. Let their undertakings be characterized by fairness and justice, and based upon the wishes of the people. At a time when the administration of internal affairs is deranged, diplomatic dealings difficult, the people burdened with sufferings, and the military service bothersome, the government is brought face to face with a thousand and one difficulties. Whatever it does, as long as the public weal is promoted, and although it may deviate a little from the usual course in its methods, we will approve. On the other hand, if it should resort to patch-up policies, laying stress upon superficiality and losing sight of the spirit which accentuates the undertaking,. we will not neglect our responsibility and betray the trust the people placed upon us.

NG & TIENTSIN TIMES, WEDNESDAY, MAY 1, 1912.

(EDITORIAL)

THE PRESIDENT'S SPEECH.

The President may be congratulated upon his speech before the National Council on Monday. His address was modest in tone, thoroughly practical, avoiding on the one hand promises which it is unlikely he can fulfil, and on the other, frankly recognizing the difficulties of the situation and how they should be met. The President clearly indicated to the Council the measures upon which it should concentrate its attention, and if his advice be followed, and bickering upon trivialities be avoided, the Council may accomplish much useful work before it is superseded by the representative National Assembly which should meet before the end of the year. No effort was made to minimize the gravity of the present situation. Indeed the President laid stress upon the very points which would have been emphasized by competent foreign critics - the unsatisfactory morale of the soldiery, the tendency to indulge in empty, selfish, and unprofitable discussions and the neglect of practical problems, and the absence of public spirit among the people. And while he enjoined the nation to rejoice at the adoption of a republican regime after thousands of years of despotism, he warned them that there was still much room for improvement, and that they must not be misled by a feeling of self-sufficiency.

The part of the President's speech which is devoted to the question of finance, must have been read with great interest. If only sufficient honest and efficient officials can be obtained, there should be no difficulty in materially increasing the receipts from the salt gabelle, and land taxes. But it is here that the new government will probably find it hardest to combat old systems. Every tax levied in China without foreign supervision, in the past could be made to produce ten-fold if not a hundred-fold of the returns actually made to the Central Government, if it were collected upon a strictly uniform basis by offisials who were well paid and who could be induced to forego systematic squeeze. It is to be feared, however, that it will be a work of some years to eradicate squeezing propensities of the countless underlings who live upon tax collecting, and that any attempt to produce uniform returns to the government will be met by proportionate increase in those illegal accretions which have hitherto been regarded as a ligitimate source offincome for provincial officials and their satellites. The President tactfully remarked that there being few financial experts in China, it would be necessary to employ talent from other lands for guidance and advice in connection with the inauguration of various political institutions. This may mean much or little, according to the manner in which it is interpreted by the National Council, but it may be hoped that the latter will understand it to mean that the best foreign advice obtainable should be sought for all departments of the government. Many otherwise inevitable blunders will be averted if the past prejudice against foreign advisers gives place to a sincere desire for expert foreign assistance in the handling of problems of which the younger men who are now in power in China have had no practical experience.

The President rightly laid stress upon the industrial development of the country. What seems at present an intolerable burden of foreign indebtedness would assume a very different complexion if the old policy of excluding foreign capital from assisting to develop and enormous natural and mineral resources of the country were reversed. There are numerous industries which would contribute ~~xxx~~ enormously to the prosperity of the country if given reasonable encouragement and protection under the new regime. It is to be hoped that the new government will encourage the extension of China's railway systems, passing such commercial laws that merchants may feel assured of the security and protection of themselves and of their property, and endeavor by an improvement in agricultural methods, and conservation of water-ways and extension of irrigation works, and last but not least, by aforestation upon a large scale, to prevent those constantly recurring periods of famine and flood which by provoking popular discontent are a constant menace to the stability of every Chinese administration.

It is pleasing to see that the President, in his first speech to the National Council, publicly acknowledge China's gratitude for the "peaceful and just attitude" of foreign nations. If his advice to his countrymen to treat foreigners "frankly and sincerely with a view to consolidating our international relationships" be generally followed, much of the mutual distrust and suspicion that has prevailed between foreigners and Chinese in the past will disappear.

Observations on general conditions in China.

Sub. ....

Ref. ....

Ind. May 23, 1912. Peking,

No. 552 May 21, 1912.

The Honorable

The Secretary of State,

Washington.

Sir:

I have the honor to submit the following observations on conditions in China, as I see them.

It is difficult to form a satisfactory opinion of the situation, that is, one on which reliance can be placed or which approaches anything like a conviction. The situation changes so rapidly, there are so many phases to it, and there is so much mystery about it, that one never knows what to believe or expect. There is no public press upon which to rely for information as to current events. There are no statesmen or publicists who formulate or publicly discuss principles or policies. Officials, however high in authority, can-

cannot be relied upon to tell the truth, at least all the truth, upon any question of public interest. Until now political agitation has had little or no place in the life of China; therefore, there are no political parties, no organized public sentiment, and no accepted leadership in public affairs. Political action is largely a matter of personal interest and secret intrigue. The country is ramified with various secret societies; some of which are radical, others reactionary or conservative. Mysterious negotiations and tortuous plotting are the favorite methods of procedure. Diplomats, and foreigners generally, sit here like spectators at a play, watching and wondering what the next act in the unfolding drama is to be.

The time for the discussion of the merits of the revolution, and the adaptability of the republican form of government to China is passed. Although there is a sharp difference of opinion on both questions, among natives and foreigners alike, the revolution is an accomplished fact, and the republic is established, even though its foundations are somewhat weak and wobbly. The question of immediate interest is, as to what extent the present government represents the will of the people, and what assurance there is of its stability.

The measure of popular support which the new government has is a matter of great uncertainty. The revolutionary sentiment extended over all, or a large part, of the country, but in varying degrees of intensity. It was especially strong in the south. But there is reason to believe that in many of the provinces, especially in the north, the sentiment was not very deep seated. The storm whipped the surface of the sea into angry whitecaps, but that it touched or stirred the deeper currents is much doubted.

In some of the provinces the old government was overthrown by only a few revolutionists. They often came from the outside, from Canton, and other revolutionary centres. They hoisted the revolutionary flag, proclaimed the republic, drove out or decapitated the old officials and established themselves in their places. The people, surprised or overawed by a show of force, accepted the change, partly because they did not understand it, and partly because they wanted peace. Their acceptance was oftentime the more readily secured by the promise of release from taxation for six months or a year.

The Japanese are undoubtedly the best informed of all nationals represented here as to what the Chinese people are doing or thinking about. In the guise of peddlers, shop keepers, teachers or what not, they permeate the country and touch every side of its life. They belong to a well organized system which has for its purpose the extension of Japanese trade and the collection of political information. They report regularly to a central bureau in Peking, whereby the Japanese Legation is, perhaps, the best informed of all the Legations as to what is going on in this country. Midzuno, the First Secretary of the Japanese Legation, remarked the other day that not more than two and a half per cent of the people had been engaged in or identified with the revolution. From all I hear, I am disposed to accept his estimate as approximately correct.

It is reported that when the battle of Hankow was raging, the farmers in the fields, just outside the zone of fire, went on with their work, unconscious of or indifferent to the tragedy enacted so near them. Whether true or not, the story is fairly illustrative of the attitude which this great, toiling mass of people assumed toward the revolution during its progress. And this seeming indifference, this passive silence, continues to characterize their attitude towards the new government.

In the treaty ports, and along the coast and throughout a large part of the Yangtze Valley, the revolutionary sentiment seemed strong, and the enthusiasm for the republic fervent; but in the interior, among the far off hills, in the remote valleys, the unbroken silence of the centuries still broods over the people. It is said that only twenty miles or so away from Peking, they have hardly heard of the revolution. They know in a vague way that some kind of a quarrel has been going on between Yuan Shih-kai and some one in the south, but as to what the quarrel was about, or how it resulted, they know nothing. There is no affirmative evidence that there is any large measure of popular support for the new government. The most that can be said is, that, so far, there has been no openly expressed opposition to it. The people accept it in stolid, perhaps unsympathetic, silence.

In considering the relation of the people to existing conditions, it may be said that while they are densely ignorant, they are peacefully inclined. That they never have participated in political affairs and are not disposed to do so now. That as long as the habitual routine of their lives is not disturbed, they are indifferent as to what dynasty or authority rules over them. That their present seeming indifference is not to be interpreted as opposition to the new order, but simply evidences their characteristic attitude towards public affairs. And because of this passivity, it also may be said, that they are easily controlled and are not to be considered a positive factor in shaping or directing political policies.

There is much truth in the statement. It is reasonable to assume that once peace and order are restored and business is generally resumed, and the crops continue good, the people may go on indefinitely in their lethargic way, and may remain a neutral factor in the solution of the difficult political problems with which the country is confronted. Nevertheless, it must be remembered that this great mass of unnumbered people represent an unconscious and unorganized force of tremendous power; one which can be aroused to demoniacal fury, and which cannot be safely ignored. Because of their ignorance, theyare grossly superstitious. The nearest approach to spirituality in their nature is their reverence for dead ancestors. Because of this fact, their faces are always turned to the past; they do not look forward; they have no dreams, no visions of the future. They are wedded to old habits, beliefs and traditions.

One of their most generally accepted traditions is that the Emperor is the Son of Heaven. In so far as they have any religion, he is its head, its high priest. To his annual sacrifices, his prayers and intercessions, they look for the blessing of good health, fair weather and good crops. It is reasonable to assume that the great majority of them, especially in the interior, do not know that the Emperor has abdicated, or that he has been driven from the throne. When they fully realize that he is no longer the head of the established order, one which has lasted for so many centuries, and there comes a period of bad crops, of drouth or floods or epidemics, the chances are the people will attribute these misfortunes to Heaven's displeasure over the wrongs done the Emperor. At such a time, it is safe to say, they will become "fit subjects for treasons, stratagems and spoils." Ku Hung-ming, educated in Scotland, but a conservative of the old school, writes a review of the situation for the LIVERPOOL DAILY POST AND MERCURY in which he say:

" * * *. in China, if you attack and take away the respect of the people for the Emperor, you destroy the whole fabric on which the morality of the Chinese is founded; in fact you destroy the Chinese religion. * * * loyalty to the Emperor, in China, is a religion. It is, so to speak, the keystone to the Confucian * * * religion."

Another prominent factor in the situation is also to be considered. That is the present attitude of that vague, indefinite body called the gentry, the scholars or literati, and also the officials heretofore identified with the old régime. Among them are men of ability, character and experience in public affairs. They stand closer to the people than do any of the present officials, and have more influence with them than any other class of leaders have. The people look to them as an authority upon all questions of religion, politics or civil conduct. While many of them were dissatisfied with the Manchus, and sympathized with the demand for a constitution, a parliament and a responsible cabinet, yet their plans for reform did not contemplate the overthrow of the monarchy or the establishment of a republic. When the revolution broke out with the avowed purpose of substituting a republic for the monarchy, their convictions or their natural conservatism held them back from any identification therewith. And, up to this time, very few of them have any connection with the new government. But they have not lost their influence with the people or their interest in public affairs. Just now, they are standing aloof, watching the course of events with critical eyes. It is reasonable to assume, that, if the developments of the near future justify, or furnish the opportunity, they will again come forward and reassert themselves. If they do, it is safe to say they will command a larger support from the people than is given the men now in power.

It should be said that this attachment of the people, the gentry and the literati, for the throne, is probably not so much one of loyalty to the Manchu dynasty or to the person of the Emperor, as it is to the established order of government; an order in which they have been educated, in which their ancestors believed; and one which has the grim and gray centuries of the past for its justification. They distrust radical changes; they dislike innovations. They represent a positive force, which, at present, is neutral, but how long that neutrality will continue is necessarily a matter of speculation.

In the last analysis, a republic must rest for its support upon the people. In this instance, it must be admitted that the people, as a whole, have no conception of what a republic is, or of what the duties and responsibilities of citizenship therein are. To establish a republic upon such an uncertain foundation is like building a house upon the shifting sands. There can be no such a thing as universal suffrage, at least for a long time to come. The republic, so called, must, in the very nature of things, resolve itself into an oligarchy. And it is upon the character, ability and patriotism of the few who make up that oligarchy that the future depends.

One of the great weaknesses in the present situation is the want of leadership. There is no one to lead, to command; no one with the ability to formulate a policy or to carry it out; no one to whom the public can look for guidance or direction. The revolution succeeded too easily; it met with little or no resistance; it blazed up suddenly and ran over the country like prairie fire. The struggle was not long enough or tense enough to test the moral strength of either side. The Manchus after a feeble show of resistance supinely abdicated. The revolution then degenerated into a game of secret intrigue between the leaders in the north and in the south. No strong man was developed on either side. The country is like a ship without sail or rudder, without compass or chart, that is slowly drifting towards the rocks; it may miss them, but it will require some skilful navigation to prevent shipwreck.

Yuan Shih-kai continues to be the strongest man in the foreground, but he has well marked limitations. He is far from being a great statesman. Personally, he is in a very difficult position. He has enemies in his front and in his rear. The shadow of assassination always hangs over him. He is the center of a vortex of conflicting forces - the old and the new. He has to deal with all sorts of individual ambitions, jealousies and prejudices. He is skilful in intrigue, patient in plotting, and succeeds best in the manipulation of men. He showed great skill in handling the Manchus. They hated, distrusted and feared him. But by degrees he slowly edged them off of the throne. He then intrigued with the revolutionists, and, despite their conflicting ambitions and their great distrust, he succeeded in making a union with them and with himself the head of the resultant republic. In these transactions men differ as to the measure of good faith which inspired him; but all agree that he showed great ability. He knows his people well, he knows their point of view, their habits of thought and the influences which control them.

But when it comes to constructive work for the future, he does not show ability equal to the emergency. He does not seem to grasp the situation. Apparently he does not have the breadth of view, the inspiration or the will to initiate forward policies or to carry them out. He does not comprehend what a republic is, or what his relations to it, as president, are. From observation or experience, he knows nothing of government except the absolutism of the old régime. Having got rid of the Manchus and effected a union between the north and the south, he apparently does not know what to do next; he manifests a disposition to drift with the tide. Perhaps, we expect too much, or are too impatient for the beginning of constructive work, and that more time must be allowed for adjustment to new conditions. It must be conceded, however, that no stronger man than Yuan has yet appeared.

It is now generally believed that Sun Yat-sen would not have been equal to the emergency. He is better educated than Yuan, has seen more of the world, knows more of modern life, has, perhaps, more intellectual force, certainly more charm of manner, and impresses foreigners more agreeably. But Sun was born on the coast, left the country in his early youth, and has spent most of his life abroad, and therefore does not know his country or his people as Yuan does. Sun has great influence with the returned students, they idolize him, but what his influence will be with the hide-bound conservatives who make up the most of this people, is quite another question. He is now travelling through the south, or along the coast, and is making a great many speeches. The tenor of these speeches, as reported here, do not show the practical quality, the sound, sane judgment, that are required to lead this people out of the darkness that has heretofore enveloped them, into the light of modern civilization. He is reported to have declared himself in favor of the single tax theory, also in favor of socialism, and in some of his speeches he manifests a strong anti-foreign feeling, which may have a bad effect on the public mind. He is reported to have said that extra-territoriality must go, and that the pressure of 400,000,000 will be brought to bear upon it to force it out of the country. Indeed, the young returned student, who is now so much in evidence, manifests perhaps a stronger and more stubborn anti-foreign feeling than the old timed officials did. This may be a political play wherewith to win popular support, or it may be a feeling of injured pride engendered by a comparison of conditions in their own country with those that obtain in other countries. Whatever the motive may be, it is going to be harder than ever for foreigners to do business here.

The new men in power are largely young returned students, from Europe, the United States and Japan. The latter are the most active and the most dangerous. All of them are intensely ambitious. They have great confidence in themselves and in the future of the country. It is unfortunate that they do not inspire the same measure of confidence in others. For the most part their education was more or less superficial. They are idealistic, visionary. They are the strong element in the National Council. While proceedings in the council are conducted with much decorum, and the body as a whole, makes a good impression upon observers, yet when one reads a detailed report of the bills introduced into and of the propositions seriously discussed, it is evident they have no grasp of the situation, that they are floundering about with problems they do not understand, and that they have no intelligent or forceful leadership.

The country is in a badly demoralized condition. Its treasury is empty, the collection of native revenues is largely suspended, payments on past debts are in default, trade is demoralized, and a general distrust for the future prevails. The amount of constructive work to be done is prodigious; it would challenge the genius of a Bismarck, a Cavour or a Gladstone; but, alas! there are none such here. The internal revenue system, archaic in form, corrupt in practice and inefficient in results, as it is, has practically broken down. There are somewhere about one million men under arms, so the Chinese say, whose pay is in arrears, and whom they cannot discharge or disband until they do pay them. These soldiers are, for the most part without discipline; their officers have little or no control over them; they are mutinous in spirit; and they constitute an ever to be feared menace.

The union between the north and south is not very firmly cemented. The line of cleavage between the sections has not passed away. Huan Hsing, the militant and sinister spirit of the revolution, is in command of the southern army, with headquarters at Nanking. While reports come to us that, in the south, they are disbanding a good many troops, yet the reports also show they are, at the same time, enlisting more men. Apparently they are organizing, equipping and drilling with great energy. The south, under the direction of Huan Hsing, and possibly Sun Yat-sen, is strengthening itself in every possible way. While, as yet, no open or active antagonism has appeared, it may be accepted as a fact that Sun Yat-sen and Huan Hsing have not relaxed their hold upon the forces which brought about the revolution.

The immediate demand is for money. In that connection it is opportune to remark, that I am not wholly pessimistic about the future of this country. I am not very sanguine, I admit. But despite the difficulties of the situation, the want of any constructive leadership, and the lack of any forward policy, I believe it among the reasonable possibilities that the republic will go on some time, perhaps forever. Over and against all the faults I have pointed out, there is to be considered the one saving fact that this people, ignorant and unaccustomed to the new order of things as they are, have a lot of common sense. They are patient and long suffering. They are industrious, economical and inclined to peace. They have stood a lot of bad government without complaint, and they may be willing to stand a great deal more. If the conditions, as they now exist, applied to many other countries which have more claim to civilization than China has, the flames of civil war would have burst forth long ago. The temper of the people is such that they will be slow to act if left to themselves. If the new administration can only get the wheels of government going, if it can restore peace and order and can get rid of the incubus of an ill disciplined and mutinous army, then with fair crops and a return of business, the country may go on indefinitely.

But the manifest disposition is to borrow large sums of money, to make big foreign loans, and to involve the new government in financial complications at the very start. A big foreign debt is the rock upon which the ship of state is sure to be wrecked. It is difficult to say how much money is actually needed. There is no minister or public official who seems to have any definite knowledge of possible or probable revenues or of necessary requirements. The President and the Premier make speeches and assume to give figures, but every one knows the figures are based upon unreliable data. There are no statistics and no record upon which reliance can be placed. There is much talk of borrowing hundreds of millions of dollars for development purposes, for mines, railroads, et cetera. Several of the provinces are borrowing large sums and pledging provincial revenues therefor. For the year 1911 fifteen out of eighteen provinces in China proper had deficits. There is some loose or general talk of improving and increasing the revenues from the salt gabelle, and it is said this tax alone will carry the interest on a loan of some $300,000,000. But there is no move made to formulate a plan for such improvement; it is, up to date, all talk. This salt gabelle is a very complicated affair. It has in it all sorts of complications; private interests of long standing are vested therein. It will almost work a revolution to reform this one system. It would seem prudent, at least, to reform the salt gabelle before any large sum of money like $300,000,000 is borrowed upon it for security.

Lord Cromer has well said that foreign credit is the greatest danger that attends an Oriental agricultural country. As long as the government is alone dependent upon local revenues, there is a limit to its expenditures; but when it can borrow large sums of money from foreigners it is tempted to make extravagant expenditures for administrative purposes, and is led into all sorts of fallacious schemes for industrial development, oftentimes under the leadership of incompetent or unscrupulous foreigners, and financial bankruptcy follows. This is the danger which confronts China. It is my hope that in the cooperation of the powers for the support of loans to be made a rigid surveillance will be made of the amount of the loans as well as the purposes to which they are to be supplied. It will be much better for the Chinese if they are not allowed to borrow much money, and that they be compelled to work out their own salvation.

I have the honor to be, Sir,

Your obedient servant,

(Sgd) W. J. Calhoun

Sub. Report by Captain James H. Reeves of chinese troops under arms in central and southern China.

No. 592

Peking,

July 9, 1912.

Ref. ....

Ind. July 10, 1912.

Ack by card Aug 8/12

The Honorable

The Secretary of State,

Washington.

Sir:

I have the honor to send enclosed copies of a report of Captain James H. Reeves, former military attache of this Legation, as a result of a six weeks trip to cities in central and southern China.

An interesting feature of this report is the statement that the estimated number of troops at present under arms in the southern provinces is practically the number under arms prior to the revolution.

I have the honor to be, Sir,

Your obedient servant,

(Sgd) W. J. Calhoun

Enclosure:

Report, as stated.

Enclosure No. 1 in Despatch No. 592

July 9 1912, from

the American Legation at Peking

Copy.

Captain Reeves to Mrl Calhoun.

American Legation,
Office of the Military Attaché,

Peking, June 26, 1912.

The American Minister,
Peking, China.

Sir:

I have the honor to submit the enclosed estimate of strength of the Chinese Republican forces, that is the troops that were employed against the Imperial Government during the recent revolution.

This table has been made up from all sources available to me, including personal inspections during my recent trip to the Yangtze Valley and South China, but it is at best merely an approximation.

It will be noticed that I have given the strength of the regular forces, at its highest mark, as 342,000. In the estimate made by General Aoki, copy of which was furnished the Legation, April, 1912, by adding to the regular forces "about 90,000 militia" he makes "an effective of more then 400,000 men".

The estimate of troops at present existing in the southern provinces does not differ so greatly from the troops under arms at the beginning of the revolution (in the provinces). The former is given here as about 262,000, while the latter was some 242,000.

Very respectfully,
(Signed) JAMES H. REEVES,
Captain, Cavalry.
Military Attaché

Estimate of Chinese Republican Forces.

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After the fighting at Nanking and Hankow and up to the time of the disbandment of troops, under the direction of General Huang Hsing, commenced about April 1st, 1912, the revolutionary forces that had been assembled under the control of the Nanking and Wuchang (Hankow) War Offices appear to have consisted of the following:- (These may be called regular troops in that they were enlisted for an indefinite time and given the regular army organization, and were in addition most of them moved away from their home provinces).

Nanking War Office: From 1st to 26th Divisions inclusive, and some scattering detachments:- 27 divisions at 6,000 ea., 162,000
(This estimate of 6,000 men per division is based upon personal observations made as to strength of different units; it also largely agrees with statements made by different Chinese Staff Officers).

Wuchang War Office:

Hupeh Province, ...10 divisions

Hunan Province, ...1½ "

Kiangsi Province, ...1 "

Anhwei Province, ... 1 brigade

Kwangsi Province, ...1 "

13½ divisions
at 6,000, ...81,000

In addition to the above there appear to have been in the various provinces, organized and administered by the provincial authorities, yet more or less subject to the call of the Nanking War Office, the following:

Fukien Province .... 1 Division

Kwangtung Province ..... 2½ "

Kwangsi

Kwangsi Province	2	Divisions
Yunnan Province, ...	2	"
Kweichow Province	1	"
Hunan Province	2	"
Szechuan Province	3	"
Shensi Province	1	"
Shansi Province	1	"
Kiangsi Province	1	"
Total	16½	" as 6,000 99,000
Grand total		342,000.

In addition to these troops there were numbers of local militia generally called the "People's Army", of which it is impossible to make an estimate. For instance, in Kwangtung Province alone claimed to have enlisted 100,000 in the People's Army.

Of the number of regular troops given above, there appear to have been left at the end of May:

Nanking War Office:

1, 3, 4, 5, 7, 8, 9, 10, 11, 12, 16, 19, 20 and 23rd Divisions, in all 14 divisions which at 6,000	84,000
3rd independent brigade: 35th " " :	6,000
3 battalions constabulary	1,000
2 companies of provost guard, ...	200
4 infantry regiments, ...	3,000
"Kwangfu Army" (9 battns)	2,700
Garrisons in the forts at Nanking, Chinkiang, Kiangyin and Woosung, ...	5,000
Total, ...	101,900

Wuchang

Wuchang War Pffice:	8 divisions at 6,000, ...	48,000
	3 Independent Brigs., ...	9,000
	2 battalions students, ...	1,000
Hunan Province	2 divisions	
Yunnan Province, ..	1 "	
Szechuan Province .	3 "	
Kweichow Province,	1 " (?)	
Kwangsi Province,	2 "	
Kwangtung Province	4 "	
Fukien Province,...	1 "	
Chekiang Province,	2 "	
Kiangsi Province,	1 "	
Total	17 divisions at 6,000,	102,000
	Grand Total,	261,900

Sub. Copy of despatch from Chungking, re agitation against foreign supervision of Chinese finances

No. 593

Peking,

July 9, 1912.

Ref. ....

Ind. July 10, 1912.

Ack by card
Aug 1/12

The Honorable

The Secretary of State,

Washington.

Sir:

For the information and files of the Department, I have the honor to enclose herewith, in duplicate, copy of despatch number 15, dated June 11, 1912, from the American Consul at Chungking, wherein he reports in regard to agitation in Szechuan province against foreign supervision of Chinese finances.

I have the honor to be, sir,

Your obedient servant,

(Sgd) W. J. Calhoun

Enclosure:

Mr. Baker to Mr. Calhoun, No. 15, June 11, 1912.

Enclosure No. 1 in Despatch No. 593
July 9, 1912, from
the American Legation at Peking.

COPY.

~~Mr. Baker to Mr. Calhoun.~~

No. 15.

AMERICAN CONSULATE,

Chungking, China. June 11, 1912.

Subject: Agitation against Foreign Supervision.

Honorable W. J. Calhoun,

American Envoy Extraordinary

and Minister Plenipotentiary,

Peking, China.

Sir:

Referring to my telegram of the 6th instant with regard to the subject named above, I have the honour to further report as follows:

While a considerable agitation in this connection had started at the time of my telegram was sent the movement was not as strong as it is at present nor were the plans as definite as they are to-day. As stated, the opposition to foreign supervision is organized, determined and widespread. Every class of society is interested in the propaganda and a most complete organization exists for enlisting the aid of every person in the province. The officials and leading merchants have held public meetings and have delivered patriotic speeches to rouse the people, Newspapers have formed a league and have undertaken systematically to educate the masses, while lecture bureaus have been established and have arranged for meetings in various temples throughout the country. Military officers and the common soldiers have also shown the greatest enthusiasm and the native Christian churches have been called upon to show their patriotism by supporting this popular movement. Activity in this connection has by no means been confined to speech making. Liberal gifts have poured in from all directions, rich and poor alike showing their sincerity by their willingness to subscribe. The head of the local government made a personal gift of 1500 Taels and others in proportion. Women are giving gold ornaments and rich wearing apparel, and many poor servants are subscribing a month's pay. These are all free offerings to the government. It is proposed to subscribe later to any bonds which may be issued. Chungking is thus giving 1,000,000 Taels and Chengtu 500,000 Taels while spearate funds are soon to be collected throughout the province.

Very telling arguments have been used in arousing the people and it is not surprising that the effect has been successful. They were reminded of their willingness to give up their lives in opposing the rule of the Manchus and were told that the rule of the foreigners would be no less humilating and since their money is of less value than their lives they should not hesitate to give up the latter now to save the country from foreign domination. It was argued that outside countries in controlling China's finance would surely reduce China to a state of complete dependence, and the case of Korea was cited as an instance, also Egypt. Interference with China's military program was spoken of as a grave menace calculated to diminish her powers of resistance. Such arguments together with the recollection with many Chi-

Chinese

nese have of previous dealings with certain foreign countries have roused the people in this province to a high pitch of excitement and they are now not only suspicious of foreign supervision but of foreign money as well.

While the transition from the state of feeling above described to one that is anti-foreign would seem not only easy but natural, there is as yet practically no anti-foreign feeling in Chungking and comparatively little in other parts of the province. The community at Chungking is chiefly commercial and the principal desire of most of the people is to see business continue without interruption. It is realised that an anti-foreign feeling or demonstration would have most unfortunate results and the strongest efforts are being made to avert such a castastrophe. At Chengtu, however, the case is quite different. That city abounds in professional politicions, meddling students, designing officials and dangerous factions. The place is teeming with people who want to "start something", with "apostles of unrest" who would gladly seize upon some pretext of creating a disturbance. The present movement therefore, against foreign supervision has, as one might have expected, taken on a somewhat violent character at Chengtu. There is much talk of resisting to the death, armed opposition and similar high-sounding phrases. Impassioned speeches are being made but nothing stratling has been developed. A mass meeting was held at Chengtu two days ago and it was thought that popular feeling might get out of bounds, but as telegrams were to be sent here in such case, and none have yet come; it is presumed that no anti-foreign demonstration has been started. If anything of this nature happens, I shall, of course, report the matter at once by telegraph. As Changtu, However, has for several months preserved a reasonable degree of law and order it is quite possible that this crisis will be safely passed.

The local newspaper league which is propagating the idea of a national subscription sent a most interesting letter to all of the Consuls here, and as it illustrates the moderation and reason of most of the people in Chungking I am enclosing a copy together with an English translation.

I have the honor to be, Sir,

Your obedient servant,

(Signed) E. CARLETON BAKER,

Consul.

No. 24.

Sub. Political conditions in Szechuan
Recd. August 16, 1912
Ref.
Ans.

AMERICAN CONSULATE,

Chungking, China, August 2, 1912.

Subject: __Pacification of Szechuan__.

Honorable W. J. Calhoun,
American Envoy Extraordinary
and Minister Plenipotentiary,
Peking, China.

Second Secretary.

800.

Sir:-

I have the honor to state that Szechuan has been steadily pacified until the province can now be said to be comparatively quiet. It is true that certain dangers still exist, but they have been largely diminished. On April 13th last I telegraphed the Legation: "Superfluous troops, shortage money, unsettled authority indefinite menace," and these eight words described conditions at that time and have applied ever since, though the three dangers mentioned have gradually abated. It should also be stated at the outset that many of the alarming rumors about Szechuan which persons down river have circulated without any knowledge of the situation here have not been based on facts but have merely been the result of conjecture. People form ideas as to what conditions should be in the "wild and wooly West" of China as of the United States and then draw upon their imagination for details. It can safely be said, therefore, that most of the startling reports which have been circulated about Szechuan since last February have been grossly exaggerated.

In my despatch No. 9 of March 4th last it was stated:

"As reported from time to time, the situation here has been gradually improving," and, as already stated, the improvement has continued. Not only have conditions improved at Chungking but in the interior as well. It was on this account that I withdrew my active opposition to Messrs. Lewis and Manly travelling over the main roads on their own responsibility. When conditions were extremely dangerous I actually kept them from itinerating by enlisting the aid of Bishop Bashford, but as the Bishop trusted me not to abuse the support which he lent, I felt that I should not detain Lewis and Manly any longer than was absolutle necessary. On March 8th, therefore, I agreed not to invoke the Bishop's authority in case the men itinerated, though I withheld my approval and advised the men not to go. This meant, of course, that they would travel as before since their disposition is and always has been to ignore the Consul's advice - though in justice to them I should say that they have altered this disposition considerably of late and are showing a very reasonable spirit in connection with several questions which have recently come up.

The"menace"referred to in my telegram was"indefinite" both in character and in point of time. It is obvious that idle soldiers without money are a dangerous element, especially when authority is unsettled. It is difficult, however, to fortell the exact results which would follow a demonstration on the part of the soldiers which such a combination might bring about. It would depend largely upon the habits and disposition of the troops and would concern both the general Chinese public and foreigners.

Though it is quite impossible to gauge the several factors which might affect the situation, it is reasonable to believe that such a demonstration would not take an anti-foreign turn unless some new element is introduced. Chinese soldiers are coming to believe that the "world owes them a living" and that if the living is not voluntarily offered it should be obtained by force. The "soldier's simple fare" does not always satisfy them for many have cultivated fastidious tastes which cannot be indulged on the slender pay which they have been wont to receive. It has therefore been a most difficult task to keep the soldiers here in check and at the same time to reduce their numbers. The work, however, has been very well done in Szechuan though it has not even yet been carried sufficiently far. The city of Chungking was crowded with various troops several months ago, but today there are not more than 2000 here altogether. About three thousand were disbanded while an equal number have been sent to the country districts to preserve order there and to receive their support, in whole or in part, from the rural communities. Practically all of the Chengtu troops which were here before have returned to that city and many of them have joined the expedition against Thibet reported in my despatch No. 19 of the 24th ultimo. The troops at Chengtu were given the alternative of resigning or going to Thibet and most of them chose the latter, though I understand that there have been many desertions on the way. While there are still too many troops in Szechuan the number is so far reduced that they are not nearly as great a menace as they were and can now be said to be fairly managable.

While money was scarce and is still extremely limited, the question of its abundance is relative since the supply is comparatively large or small according to the work it has to do. When twenty or thirty thousand troops in Szechuan were clamoring for pay the supply of money looked very small, but it looks considerably larger now that forty or fifty per cent of the soldiers have either been disbanded or led back to Yunnan and Kweichow. Although the supply of silver is still short, it meets the present requirements more nearly than it met those of a few months ago. The financial situation is still precarious however and the notes issued by Chengtu are discounted from ten to fifteen per cent. There has also been a heavy drain upon the silver supply through merchants shipping specie to Shanghai on account of having so few articles of commerce to send in exchange for imports. This was due to trade and industry becoming paralyzed through the recent political upheaval. Much silver was also taken away by the Yunnan and Kweichow troops, especially the former. While the money in the hands of the Szechuan authorities has run very low at times the stock was at no time altogether depleted. They have therefore been able to meet the most pressing demands made by the troops and thus avert a catastrophe. Taxes are now being gathered with more regularity and the Ta Han Bank, successor to the Ta Ching Bank, is gradually calling in its loans and these are being used in financing the government and in paying off troops. The salt taxes from the Tsu-liu-ching (自流井) district are a large item. Two weeks ago a foreign traveller saw 30,000 taels from there being taken to Chengtu. It is said that the Tsu-liu-ching salt district is to furnish a fourth part of the money to be used in the expedition against Thibet. Just what will happen when the Chengtu notes, convertible after one year, are presented for redemption is difficult to say, but in the meantime the notes are relieving the scarcity of money, taxes are being regularly collected, the Ta Han Bank is lending valuable assistance, there are fewer troops to pay, the crops throughout the province are extremely promising and the financial situation is altogether more hopeful than it was.

The pacification of Szechuan has been chiefly carried on by Hu Ching-yi (胡景伊) who was sent from Chengtu to be Chen Fu Fu at Chungking. (As reported in my No.19 he is now Acting Tu Tuh at Chengtu.) On assuming charge here in April he outlined a definite policy which he followed with considerable success. Its main features are as follows: 1. Reformation of district governments. 2. Suppression of robbers. 3. Reorganization of military forces. 4. Adjusting income and expenditure with reference to Chengtu. The following departments were accordingly organised: Education, Salt, Revenue, Justice, Administration and Foreign Affairs. It was arranged that important matters should be referred to the Provisional Assembly at Chengtu. The boards above named were to be purely executive. In pursuance of his declared policy Hu thoroughly investigated the various district administrations discharging many inefficient and dishonest officials and executing the worst. In the suppression of robbery he has also been very successful. Yu Man-tzu (余蠻子), the celebrated robber chief who terrorized this province in the late nineties, again took the field this year. He gathered a large following and committed many depredations but his band was recently dispersed and he is reported to have been killed. Li Shao-yi (李绍依) another celebrated outlaw has also caused much trouble in the province. He scoured the country about Ta Chu Hsien and Chu Hsien, northeast of this city, and declaring himself to be the "General for Szechuan", organised a most formidable army of bandits. They plundered far and wide and encouraged everyone to plant opium, promising to protect this illicit industry. Li Shao-yi defeated every force sent to capture him until General Hsiung Ke-wu (熊克武), commander of the troops here, took the field against him. He first met Li's son, whom he killed in battle, and finally killed Li himself and scattered his followers. The province has now been rid of its worst outlaws and is comparatively safe though conditions cannot yet be said to be altogether settled.

Rev T. James of the China Inland Mission at Luchow reports that roving bands of robbers infest that region, but such a condition has existed near Luchow for many years, and Rev. R. R. Brecken who has just come from there states that there is no great danger about Luchow and very little for foreigners to fear. Many missionaries have returned to their posts in the interior and all except Mr. James report that conditions are fairly settled. They have found also that very little damage was done to their property in their absence. Dozens have gone back to Chengtu and a letter just received from Mr. Service, an American in the Y. M. C. A. there, states: "All the way along we found conditions quiet and peaceful. The steady execution of robbers whenever caught, would seem to indicate that those in authority mean to maintain the peace. The people seem to be most friendly. We never saw the least indication of anti-foreign feeling of any kind. Since reaching here, we have seen no foreigners, but the Chinese report everything quiet, and the forces for order steadily strengthening their hold on the situation." Mr. Service and

Mr. Hofmann, one of the teachers attacked near Wushan, went overland together. Mr. Knight, another American teacher, travelled by native boat alone from Ichang to Wanhsien and thence overland to Chengtu. There has not yet been time to hear from him, but I presume he got through safely. All travelled back without my approval for I do not care to accept any more responsibility in the matter than necessary and I do not consider that Chengtu is yet free from danger for the contending forces there and rivalry among the officials [redacted] may cause an eruption at any time. As previously reported, however, there is little likelihood of an anti-foreign demonstration though such a thing is by no means impossible. While I perfectly understand that a Consul can"neither grant nor withhold authorisation" for Americans to return, I do not understand just what is involved in the Legation's telegram of March 5th as follows : "Unless authorised by the Legation you should not advise return of Americans. Calhoun." At no time have I advised Americans to return and at no time would I do so even if I were empowered. I wouldn't advise a man to cross New York City for if anything happened to him a certain amount of blame would attach to me - and no spot on earth is perfectly safe. What I do not understand, also, is how far I should go in expressing my opinion about conditions if my opinion is asked by Americans down river and whether the Legation will eventually authorize some statement with regard to the advisability of Americans returning. Americans seem to feel that they are entitled to some information from this office which will enable them to decide about coming back. To describe conditions here to them fully would take reams of paper and even then there would be room for reasonable differences of opinion. What most Americans want is a simple, concise opinion as to whether conditions warrant their return. The opinions of many others may likewise be solicited and it does not seem to me that a man in expressing his own personal belief is necessarily advising one as to how to act. He might while expressing, his belief advise the person to be guided by the opinion of someone else whom he considers is better able to judge - to use the popular phrase, he "gives his opinion for what it's worth". It may, be held by some that there is no such thing as expressing opinion without assuming liability for the consequences of some person being guided thereby. If there is reasonable ground for this contention no Consul should, perhaps, voice any opinion or statement regarding conditions which might affect the decision of some Americans to return. In view of these considerations I respectfully request instructions as to what should be done when Americans ask whether in my judgement conditions are favorable to their return to Chungking or to some particular place up country. A Mr. Tompkins telegraphed from Ningpo as follows: " Baptists desire permission return two experienced men with wives Chungking." In reply I wired: " Unable advise return Americans without Legation's authorization which not yet received. Will advise you when it comes." If Americans are told that permission can neither be given nor denied they ask for advise; if they are told that the Consul will not take the responsibility of advising them they ask for a simple expression of opinion, and the question arises as to what opinion, if any, shall be given.

I have the honor to be, Sir,

Your obedient servant,

C. Carleton Baker,

Consul.

P. S.

A copy of this despatch is being sent also to the Department.

CCB.

Sub. Execution of Chang Cheng-wu and Fang Wei

Ref.

No. 624. Ind. Sept. 4, 1912 Peking, China.

August 31, 1912.

500.

The Honorable
The Secretary of State,
Washington.

Sir:

The summary execution, here in Peking, of two republicans or revolutionists of some prominence, is an event of recent occurrence, which created much public discussion, and, for a time, threatened grave political consequences.

On the night of August 15th, Chang Chên-wu and Fan-wei, both from Wuchang, were executed by order of the President. The circumstances attending this execution were of a somewhat tragic character. If it had occurred in any other country than China, the result would have been very serious for the Government.

The facts seem to be substantially as follows: Chang Chên-wu was a native of the province of Hupeh and was about thirty-five years old at the time of his death. He was educated in Japan, where he became imbued with the revolutionary sentiment, and, upon his return to this country, he early identified himself with the revolutionary movement and became active in its advancement.

When the revolution broke out in Wuchang, he was teaching school there. He openly identified himself with the revolutionary cause, became one of its active promoters and is said to have been made vice-chief of military affairs under General Li Yuan-hung. It is not understood that he was a man of any great ability or that he was prominent in the direction of affairs.

After the republic was established, Chang, like most of his co-patriots, expected to be rewarded for his services by an appointment to some important office. But Li Yuan-hung apparently had nothing to give him, or did not appreciate him, or want him around, for he gave him no office; and Chang thereupon became restless, dissatisfied and disposed to make trouble. Wuchang has been for some time past a center for political disturbances of one kind and another; all of which is probably due to the fact that there are not offices enough to provide for all of the revolutionary patriots.

Finally, at the suggestion of Li, Chang came to Peking with the hope that the President would do something for him. The President offered him an appointment as a member of a commission which was to go to Mongolia to straighten out affairs with the Mongolians and to induce the latter to continue their allegiance to China. But the appointment was not attractive to Chang; he declined it and returned to Wuchang. It is supposed that his temper was not improved by this disappointment and his disposition to make trouble correspondingly increased. He was induced to return to Peking. Some say he returned at the instance of General Li, while others say he was persuaded to do so by the members of the National Council from Hupeh province. However that may be he returned to Peking and began to use such influence as he could control to secure a satisfactory appointment. He was accompanied by Fan-wei, who was his friend and coadjutor, who hoped to share in his expectant good fortunes.

Li Yuan-hung was evidently keeping a close watch over Chang and his associate. Doubtless he thought they had sufficient influence to make trouble, if they did not get what they wanted, and he did not want them to return to Wuchang. Accordingly on August 13th he sent a telegram to President Yuan in which he recited his grievances against Chang. He charged the latter with the misappropriation of public funds, with attempted instigation of revolts among Li's military officers, and with conspiracy with bandits and disloyal soldiers to create trouble. Such was Chang's character and such was his conduct, Li said that he could no longer tolerate or endure him . He asked Yuan to arrest both Chang and Fan, to courtmartial them and put them to death. He graciously said that whatever merits Chang had would be remembered, and that he, Li, would attend Chang's funeral and provide for his family. A copy of his telegram is herewith enclosed.

Upon his arrival in Peking, Chang apparently tried to secure political influence to obtain the recognition to which he thought he was entitled. He is reported to have distributed booklets reciting the value of his services and furnished the native press with considerable copy on the same subject. He also entertained members of the two leading political parties, the T'ung-mêng Hui and the Kung-ho Tang, to whom he made a speech in which he advocated a compromise of party differences for the public good.

On the evening of August 15th, he gave a dinner to some of his political friends at the Wagons Lits hotel. It is said that Hu Wei-tê, Chiang Kuei-t'i, Chao Ping-chün, and other prominent officials and ex-officials were at the dinner. Fan-wei, the same evening, was entertaining another party at dinner at the Chintai hotel, a native hostelry.

After the dinner Chang, unconscious of danger, left the hotel in a carriage to go to the inn where he was stopping, outside the Ch'ien-mên gate. He drove westward on Legation Street, passing out of the Legation Quarter, through the gate of the American Guard, at the west end of the street. There his carriage was stopped and a guard of soldiers or gendarmerie surrounded it and took him out of the carriage and conducted him before some kind of a military tribunal. We have no definite information as to the nature of this tribunal, or of whom it was composed, or as to the charges, if any, that were preferred against Chang, or as to the proof adduced in support thereof. From a meagre account of the proceedings published in a native paper it appears that the only proof offered was a copy of Li Yuan-hung's telegram to the President. Chang is said to have questioned the authenticity of this telegram, and said it might be bogus. The reply was that the telegram came to the tribunal, along with an order from the President for his arrest and conviction, and therefore it could not be bogus. Chang is reported to have demanded a court-martial or some kind of a trial. He was told in reply that a telegram from the Vice President was regarded as sufficient proof of his guilt, presumably treason. Chang was therefore shot and killed about one o'clock in the morning. Fan-wei and some thirteen others were arrested about the same time. Fan was shot and killed, but his friends were released.

When the execution became known it created great excitement. The National Council, or Assembly, manifested great opposition; denunciations of the execution and of the President were freely expressed. A demand was made that the President and the Cabinet appear before the Council and explain the affair. Neither the President nor the Cabinet put in an appearance. Finally a minor official from the War Office appeared before the Council and undertook to justify the execution. But his explanation was somewhat lame and his rank was not sufficient to command respect. The Council refused to listen to him and hooted him off of the platform.

Yuan made public the despatch he had received from Li Yuan-hung. And the latter sent Yuan another long telegram, which was published in the PEKING DAILY NEWS on August 20th, a copy of which is enclosed. In this despatch General Li reiterates his charges against Chang. He charges the latter with persistently trying to seduce the soldiers from their loyalty to the Government; with allying himself with local ruffians in order to overthrow the Government; and assigns to him the responsibility for the disturbances in Wuchang which had caused so much alarm. He recites his efforts to satisfy the demands of Chang, to win his good will and to reward him for his past services, but without avail. He admits that he telegraphed the President a request that the latter should arrest and deal with Chang and Fan according to martial law.

Subsequently, and on August 23rd, the PEKING DAILY NEWS published another long telegram from General Li, in which he submitted ten specific charges against Chang. He renewed the charge of misappropriation of public money amounting to over six hundred thousand taels (₮600,000) and with making false accounts; with enlisting and organizing an irregular armed force, under his command, and with making exorbitant pecuniary demands for their support; with marching his men through the streets of Wuchang

chang at night; with seizing arms, munitions of war, and food supplies; and with disorderly and tumultuous conduct. He accounts for his failure to take action against Chang by saying that the latter had a considerable force at Wuchang under his command, and if for any reason the arrest and execution should fail, widespread havoc, involving the safety of Wuchang, would have resulted. He consoles himself with the reflection that he requested that the families of the dead men should be liberally provided for, so that both the living and the dead "would feel contented". A copy of this telegram is also herewith enclosed.

The public criticism continuing with much force and directness, involving the President especially, it was apparently deemed advisable to furnish additional moral justification for the execution, and accordingly the Hankow Chamber of Commerce sent the President and Cabinet a lengthy telegram, in which the faults of Chang are recited, his responsibility for all the disorders which had disturbed Wuchang is alleged, and his summary execution is justified on the ground that it was in the interests of the public peace. A copy of this telegram is also enclosed.

In all the criticism and denunciation heaped upon the President, little or nothing was said in justification of Chang; the faults attributed to him were not specifically denied. The point of the attack against the President was the illegal arrest and execution. It was asserted that if Chang was a military officer, then he should have been tried by a regularly organized court-martial. If he was a civilian, then he was entitled to a trial before a civil tribunal. That he was executed not so much for what he had done as for the fear of what he might do. And that his arrest and execution, with no proof to justify it but an unconfirmed and *ex parte* telegram, was the exercise of an arbitrary or despotic power wholly inconsistent with the spirit of a republic.

For some days it looked as though an open conflict between the National Council and the President would occur which might lead to another revolution. The Council threatened to impeach the President and the Cabinet. Then the proposed impeachment was restricted to the Premier and the Minister for War. This was a sign of weakness, because the President and the Vice President were the only men responsible for the execution. The poor Premier was and still is sick in the French hospital and probably knew nothing about the affair, and, in addition, he appears to be such a harmless, kindly, and inoffensive man, that it is hard to conceive of him having any connection with such a bloody tragedy. After indulging in a great deal of explosive and declamatory oratory the members of the Council prepared certain articles of impeachment against the Cabinet or against the Government generally. But the matter has been dragging on for so long a time that public interest in the affair has died out. It is said the impeachment proposition is not pressed because its supporters do not have the necessary majority to carry it, or, at no time since the proposition

tion was submitted, has a quorum of the Council been present. If the proposition had been pressed it was generally believed that Yuan would meet the issue in a summary way; that he would prorogue the Council by armed force if necessary; and, in all probability, would have assumed the prerogatives of a dictator.

The republican press, especially that portion of it hostile to Yuan Shih-k'ai, is very bitter in its denunciation of this execution. Little or nothing is said against Li Yuan-hung for his part in it; the whole fire of criticism is directed against the President. The CHINA REPUBLICAN, of Shanghai, is the new organ of the radical republican, or the Southern or Cantonese element, which is instinctively hostile to Yuan. This paper is said to be edited by the late private secretary of Sun Yat Sen. It characterises this execution as a "bloody butchery". It charges Yuan with being a despot, a dictator, and asserts that the execution was a reversion to savagery and tyranny. I enclose herewith some extracts from this paper. 5/

The attitude and criticisms of this newspaper are somewhat neutralized by the presence of Sun Yat Sen, in Peking, and his apparent harmonious association with the President.

It is hard to forecast the effect of this execution. That it was wholly inconsistent with a republican form of government must be admitted. It only evidences the unmistakable fact that this republic is a nominal one only. Few there are, in or out of the Government, who have any conception of what a republic really is. There are no courts and no laws by or under which civil or military trials can be effectively conducted. The element of force - despotic force - is the only restraining influence of which the people know anything, or for which they have much respect. While the execution is regretted, and, on legal grounds cannot be justified, yet the general feeling among the foreigners seems to be that the situation requires some such summary measures, in the interest of public peace and order.

It is also believed that Yuan intended to give the political malcontents an effective object lesson and to give evidence of the existence of a close and firm union between him and Li Yuan-hung, which may serve to restrain the turbulent elements that threaten the peace of the country.

I have the honor to be, Sir,

Your obedient servant,

(Sgd) W. J. Calhoun.

Enclosures:

1. Clipping from the PEKING DAILY NEWS, of August 19, 1912.
2. Clipping from the PEKING DAILY NEWS, of August 20, 1912.
3. Clipping from the PEKING DAILY NEWS, of August 23, 1912.
4. Clipping from the PEKING DAILY NEWS, of August 24, 1912.
5. Clippings from the CHINA REPUBLICAN, of August 19th and 20th, 1912.

A true copy of the signed original.

800

Enclosure No. 1 in Despatch No. 624
August 31, 1912, from
the American Legation at Peking.

PEKING DAILY [illegible], 1912.

THE EXECUTION OF CHANG CHEN-WU.

The execution of Chang Chen-wu, late Vice-Chief of the Bureau of Military Affairs at Wuchang, has been causing considerable excitement and comment during the past few days in the Capital. Acting on the telegraphic advices of General Li Yuan-hung, whose telegram is printed below, the President ordered the arrest of the deceased who was courtmartialled on Thursday night and shot. Aug. 13th.

General Li Yuan-hung's Telegram.

①

"Chang Chen-wu, a teacher of a primary school, joined the revolution and quickly became the Vice-Chief of the Bureau of Military Affairs. Though a leader of some merit, he lacks moral control and restraint; and he has not hesitated flagrantly to abuse power and confidence placed in him. When commissioned to Shanghai to buy ammunition, he misappropriated and converted to his own use much of the funds entrusted to him which the Government could ill spare. Again, at the second disturbance in Wuchang he endeavoured secretly to instigate the military officers to revolt; but my men proved true and loyal to the Republic and his evil thoughts were repulsed. The work of his hand during the revolution I remembered and I suffered him with patience, hoping that he would amend; but his conduct is still evil. At my suggestion, he went to Peking to receive from you an appointment as Commissioner to investigate affairs in Mongolia; but, failing to exact his own conditions, he suddenly returned to Wuchang. This proves his dangerous insubordination. Recently he conspired with disloyal soldiers and bandits to create trouble and thus to endanger the Republic. His insane ambition is without limit and truly is boundless. In the names of parties, he plays his evil games and under the compliments of the press he covers and screens his vices. Not a few have failed to mediate with him or to take precautions against him. His acts of conspiracy caused grave alarm and unrest among the people; but the efficiency of the detective service and the loyalty of the army have finally frustrated his act of treason. While many conspirators have been reached by the arm of the law, the principal culprit is still at large and defies justice. Can the country suffer further disturbance and the menace of conspiracy? A rascal is a rascal and his character is not changed by his change of abode. I cannot suffer or tolerate Chang longer. I have exhausted patience and wits on him and he is past amendment. I ask you to arrest and courtmartial him to the end that he shall suffer death. Fang Wei, his companion and accomplice in crime, should also meet the like end and fate. His other followers are brave and good men led astray by the artifice of a false and specious man. If, repenting of their misdeed, they wish to travel home, pray let them have the means wherewith to do so. Although Chang is guilty and must succumb to force of law, his true merits will be remembered and shall not be quickly forgotten. I declare that his soldiers are innocent. I shall attend to his funeral and provide for his family. No one shall be implicated. Heaven and Earth hear my words. As I have failed to control my Army properly and an able revolutionary leader has become a political criminal, I pray that due and adequate punishment be meted out to me, etc., etc., etc."

The President's Reply.

In a published statement, the President states that he pondered long before taking action against the deceased, and that his decision was influenced and was based on high considerations of state—the safety of the Republic demanded it. As he had adopted all the suggestions of General Li in the matter, he declined to accept the view that the latter merited punishment.

Peking, Tuesday, 20th August 1912.

GENERAL LI YUAN HUNG'S

Further Telegram in Connection With the Execution of Chang Chen-wu

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We publish below a further telegram, lately made public, from General Li Yuan-hung supporting and justifying his attitude towards Chang Chen-wu whose execution was referred to in our issue yesterday:

"To President Yuan, the Cabinet, the National Council, the Governor-Generals of the Provinces, the Various Organizations and the National Press:—

Since our Republic is still in its infancy, it is a matter of extreme and paramount importance that all military men should strive to promote and secure the welfare of their country and to preserve and maintain the name and reputation which they have won in the work of the Revolution. Wuchang, the birth place of the New Regime, bears and holds an exceptional relation to the general weal of the Nation; and therefore we cannot permit the recurrence of further outbreaks and disturbances in the region whereof the City is the centre. Chang Chen-wu had been persistently trying to seduce the soldiers from their loyalty and to ally himself with local ruffians in order to overthrow the Government of the Republic, and also openly to commit himself to the perpetration of unlawful acts. With a body of evil-minded men, he was at the head of and was responsible for the grave and menacing disturbances which lately spread alarm among the inhabitants of Wuchang. In view of their services at the beginning of and during the Revolution, I did all that reason and prudence dictated in order to overlook and condone their acts of crime. I have done more. Not once, but repeatedly I telegraphed to President Yuan recommending, not without force, that Chang should be appointed one of the advisers in the President's Office and a special Commissioner in charge of reclamation in Manchuria. I also asked President Yuan to assign him a suitable salary, and also to show him special courtesy. All this was done simply on account of his former merits, and nothing was left undone to compensate him for his past services.

To our great amazement, Chang and others, instead of appreciating what had been done for them, and without permission from Peking came back to Wuchang, and used all ways and means to foment and create trouble and disorder. Not infrequently did they demand as much as $100,000—the sinew and blood of our people—which they simply squandered according to their whims and fancies in Shanghai and elsewhere. Not only that: with this money, they

(*Continued on Page 3.*)

Enclosure No. 2 in Despatch No. 624

August 31, 1912, from

the American Legation at Peking.

GENERAL LI YUAN HUNG'S

(*Continued from Page* 1.)

succeeded in rallying around them armies of unprincipled men who were stratagically placed in different places, and were ready to break out at any time. They availed themselves of the easy and open transportation of the Peking-Hankow Railway, and pretended that they were labouring for the good of the Republic. Every move of theirs was watched by the people with suspicion and horror. In vain did I try to convert Chang and his men, and to pacify the people: truly, Chang's actions provoked both God and men.

Recently a telegram was sent to persuade him to go to Peking in the hope that he might undertake to better himself and to set his heart on good and noble works. Nevertheless, he was still bent upon making plots openly to overthrow the Republican Government. If I had continued to suffer his rebellious actions in a patient way, who knows what havoc Chang and his men would have wrought in China. Thus, I was compelled by circumstances to telegraph President Yuan, requesting him to order Chang and his accomplice Fang-wei immediately to be arrested and dealt with according to martial law. This step was taken because the preservation of the general peace and the welfare of our country demanded it.

I know that I am poor in my knowledge of men, that I lack the wit and judgment to devise means for the maintenance of order: I can hardly hope to escape the penalties of failure.

The other men who have blindly followed Chang should not be involved at all. Recalling the friendship formed between Chang and myself when we were planning military campaigns during the Revolution, I strongly recommend that the family of the deceased should be adequately provided for to the end that it may be seen that our action throughout has been inspired, not by personal reasons, but by grave considerations of State."

Enclosure No. 3 in Despatch No. 624
August 31, 1912, from
the American Legation at Peking.

PEKING DAILY NEWS

August 23rd 1912.

GENERAL LI YUAN-HUNG'S THIRD TELEGRAM IN CONNECTION WITH THE EXECUTION OF CHANG CHEN-WU.

(Specially Translated for the Peking Daily News)

To President Yuan, the Cabinet, and the National Council:—

In my previous telegrams to you, I have clearly stated that, before the Revolution, Chang Chen-wu was but an elementary school teacher, and, during the Revolution, he was Assistant Director of the Hupeh Bureau of military affairs. Likewise, I have pointed out that, at one time, Chang was a man of great meritorious services and later he became a wicked enemy of the State. And, therefore, I asked President Yuan to arrest him and deal with him strictly according to martial law. Fearing that some misunderstanding might be created by ignorance of the facts of the case, I now publish in this telegram ten charges against Chang Chen-wu for treason and submit them to the judgment of all people:—

Ten Charges

1.—During the most critical hours of the Revolution, Chang Chen-wu went down to Shanghai for purchasing arms and ammunition and misappropriated over Tls. 600,000. Moreover, the guns and rifles which he had bought were obsolete and useless. The false accounts which he had submitted are kept on file in the Hupeh Bureau of Finance and are easily accessible for examination. Thus, he not only robbed the Government of its money for his own indulgence but also grossly neglected the most important duties of the military office.

2.—Chang enlisted over six hundred men for his own service, illegally organized them into a company, and demanded from the Government by force the pay-

7.—He took certain girls of families of good standing to be his concubines; and he incited a certain newspaper to advocate his cause.

8.—He secretly organized a so-called "Republican University" and said in a speech there that our object in view could hardly be attained unless we had several revolutions and the blood of millions of people be shed.

9.—He once commanded a company of armed men and compelled the Hupeh Bureau of Education to offer him the money allotted for the use of Education.

10.—He asked his accomplice Fang Wei to form a secret alliance with Li Tsung-yi, a cashiered officer, and also with Tso Ts-chung and others, who were recently executed, for the purpose of distributing their men to hold all strategic positions and to plan to rise all at once. That Chang was the prime mover of all this was known to all the people in this place.

Further Charges.

Besides the ten charges against him enumerated above, Chang extorted thousands of dollars for the purpose of strengthening his conspiracy. He travelled much between Peking and Wuchang to try to realize his ambitions. I could not stop to cite here all his illegal acts.

At first, I recommended him to be President Yuan's adviser, then to be special commissioner in charge of the reclamation of lands in Manchuria, and afterwards to be an inspector-general in Mongolia; and this was done simply in view of former meritorious acts, and also in the hope of his personal reformation.

Seizing this as a pretext, Chang demanded that he should be given command of a well-equipped and well-paid army and that a special office should be organized. Without permission, he organized a land-reclamation office in Hankow which wasted over a thousand dollars each month. All papers in connection with the office are still kept on [illegible] men for his own service, illegally organized them into a company, and demanded from the Government by force the payment of these men at $2,000 each per month. This was an extraordinary action on his part. Moreover, he gathered around him six large companies of retired soldiers who were to be his personal guards. These, paid by the Government, were another drain on the public treasury; and Chang kept them for the execution of his own selfish and wily plots. Luckily, these retired troops fully understood their obligation toward the State, and again voluntarily offered to disband themselves. Thus, we knew that Chang's plots must have been formulated and developed for a considerable length of time.

3.—Chang also acted as Lieutenant-General. In the night time, he marched his soldiers in a most disorderly way through the streets, and greatly scared the inhabitants by careless firing.

4.—He seized the arms, munitions and food of the squads of soldiers quartered in the outlying districts.

5.—He took, by sheer force, the steam-launch, "Li-chung," of the Railway office for his private use.

6.—He secretly instigated Captain Mei Chan-ao of the Volunteer Corps, to increase the number of men; and he induced Shih Hsing-chuan to get the support of the Consular Body by promising him the position of Directorship of the Hupeh Bureau of Foreign Affairs when their conspiracies fructified. These two men withstood his temptation, and so his plots were frustrated.

reclamation office in Hankow which wasted over a thousand dollars each month. All papers in connection with the office are still kept on file. Nevertheless, Chang's ambition and indulgences knew no bounds, and his numerous offences had already made him intolerable and unpardonable.

Why Chang was Executed in Peking.

As Chang had a considerable following at his command in Wuchang, it would have been extremely unwise to arrest him here and have him executed. If the arrest and execution should fail, it would work a good deal of havoc, and the city of Wuchang would be in grave danger. Besides, if Chang was not arrested and sentenced to death by the Central Government, how could it be possible to make his death a sufficient warning to others? When the news of the execution of Chang Chen-wu reached here, the people of Wu-Han immediately felt a sense of relief and their cheers were as loud as thunder-peal. No man could fail to notice the appearance of satisfaction and ease in the people, since the root of all evil had been removed.

I asked the President to inflict on me the due punishment for my failure in performing my duties to the President and to the people. I failed in knowing men. But I hope that I shall be able to do better. I also requested that the family of the dead be liberally provided for, so that both the living and the dead would feel contented; and, Heaven be my witness, this promise must be fulfilled.

Enclosure No. 4 *in Despatch No.* 624

August 31, *1912, from*

the American Legation at Peking.

PEKING DAILY NEWS August 24th, 1912.

(4)

TELEGRAM FROM THE HANKOW CHAMBER OF COMMERCE ON THE EXECUTION OF CHANG CHEN-WU.

[*Specially Translated for the Peking Daily News.*]

To the President, the Cabinet, and the National Council:—

Recently there was in Wu-han a good deal of trouble and unrest, and, luckily, all of them were nipped in the bud. It was a recognized fact that Chang Chen-wu was the man who was the moving spirit behind all. Hence, as long as Chang was not removed, the people could not live in peace, and the merchants could hardly dare to start in their business. The pain and suffering inflicted on us last year are still being felt very keenly and any more calamity will certainly prove to be the last straw that will break the camel's back. For the best welfare of the people, therefore, the Vice-President exposed the crime of Chang Chen-wu, and the President ordered his execution according to martial law.

No sooner had the news of the execution reached here than the people became pacified, and were planning to revive their trade and commerce. To their greatest surprise, however, they heard that the members of the National Council were fiercely protesting against the Government for its action, and that the Vice-President was compelled to tender his resignation, and to wait for his "due" reproach. They were at once struck with trepidation, and their heart was filled with sorrow and rage. Ever since the very first revolutionary bullet was shot last October, the Vice-President has never swerved from the policy of honesty, integrity, publicity and considerateness. Soldiers and people of all classes have respected and loved him alike.

As to Chang Chen-wu, it was he himself that chose the most unpopular and fatal course. He declared himself an enemy of the Republic, and expended every ounce of his energy to disturb the general weal of the people. It was entirely his own invention, and the blame rested on no one else but him.

We, the Hankow Chamber of Commerce, do not dare to take upon ourselves the task of a peace-maker. But, for the sake of the people of this province, we ask that they be not robbed of their "living Buddha." When the people are not taken care of, how can the nation ever hope to exist? Can the members of the National Council consider-well with indifference the well being of the people? Circumstances urge us to send this telegram, and it is our sincerest wish that it will be heeded.

Signed:—The Hankow Chamber of Commerce.

Enclosure No. 5 in Despatch No. 624
August 31, 1912, from
the American Legation at Peking.

5

THE CHINA REPUBLICAN.

MONDAY, August 19th, 1912.

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AN IMPOSSIBLE SITUATION.

We are now in possession of the full facts relating to the abominable outrage which was committed by President Yuan Shih-kai when he ordered the arbitrary execution of Generals Chang Cheng-wu and Fang Wei, which has created general abhorrence.

From the text of a telegram that is published elsewhere in this issue, it will be observed that P esident Yuan declares that he ordered Chuang's execution at General Li Yuan-hung's telegraphic request. How can the President try to seek shelter behind external circumstances and shift the responsibility for the outrage on to others' shoulders when he knows full well that he has no power to order the execution of anybody? He has the privilege of granting pardon and amnesties, but it is clear that he can not assume the perogatives of a judge. His latest act is yet another instance of unconstitutional procedure, which strikes at the very roots of the principles for which the Republic was created, at the cost of so much precious blood - the principles of freedom and justice. President Yuan has made himself guilty of conduct far more autocratic than in the late regime, for it will be recalled that during the Manchu reign, revolutionaries were given the justice of a trial, and now, with the establishment of a Republic, even that is denied. It is evident that President

Yuan thinks that questions of life and death depend on his beck and will, when a man is sent to death on the authority of a telegram in which vague allusions are made to the alleged misdeeds of the unfortunate victim.

Let us examine the contents of the telegram closely. The cable states: "Although he has done meritous service yet he monopolizes power and cultivates confederates, giving free vent to his habit of insolence and insubordination." This is purely a question of conduct and by no means constitutes a crime deserving of death penalty. We are told that the deceased embezzled large sums of money when he went to Shanghai to purchase arms. If this is true, it is a crime, but why was he not punished before when the offense was discovered? Why advance thefflimsy excuse at this late hour? What was the amount embezzled? The telgram then proceeds to say: "In connection with the two attempts at rebellion at Wuchang, he intrigued and incited the Officer's Union in secret to rise against the Government. Fortunately, the Unionm whose members are righteous persons, has not been influenced by him." Where is the proof of the alleged intrigue and incitement to revolt? If this were true, they ought to have been punished at once so as to set an example to others, which wauld have acted as a deterrent against plotting. It cannot be said that his followers thereupon would have given trouble, because, on General Li's own showing, the men had not been influenced by Chang, which is plainly a contradiction in terms. General Li pompously declares: "I Yuan-hung, have generously tolerated him more than once." General Li tolerated him, when he was in Wuchang, where he was giving trouble. Where, then, could have been the harm of showing a little more toleration in the shape of a few minutes trial, considering that he was away from Wuchang and not giving trouble? And this at a moment when General Li sent Chang to Peking to represent himself? General Li goes on to day:"Now he has even spread sedition among the soldiers, conspired with the bad characters of the place and secretly plotted against the Government." Where? At Wuchang or Peking? If at Wuchang, he should have been punished there; if at Peking, there was no suggestion of any kind against him since his arrival at Peking. The telegram continues: "He hakes advantages of the name of the political party, as well as the praise of the press to gain his ends and to cover his plotting." He belonged to the Ko-Ho-Tang, of which General Li is the head. Was it jealousy between the two? Is it a crime to be praised by the Press? General Li said: I am tired, both of dissuading him and taking precautions against him. It is fortunate that my officers and men are loyal and my intelligence department quick and clever so all his machinations have been brought to light and the Hupeh populace has been preserved. So General Li has a system of spies in Wuchang! This reads very much like a chapter of the records of the Russian Police but what are the machinations that have been discovered? If General Li is tired of a man, must that man be killed? "To love him is impossible; but to be patient I dare not," said General Li. Love and patience to determine the death of a man. Where is the law? General Li goes on: "I beg of you to execute his fellow conspirator at the same time." What is the crime for which Fang Wei suffered immediate death? Then we read: "Though Chang Cheng-wu is to be kill as demanded by law, yet his service stills remains undiminished. The men under him are all innocent." What law? Then with childish blandness, General Li proceeds to day: "I will arrange the affairs of his funeral, provide for his family, and give to his followers the means of getting a livelihood. I am an unworth man; and being put at the head of the officers, I feel ashamed of myself for want of tact to such an extent that the heroic mover of the revolution has changed to chief offender. I request that I be punished so as to appease the soul of the deceased." All this is very frank and honest, but why exhibit this frank concern for the family of the deceased when one has sent a man to a premature and undeserved death in cold blood? President Yuan says that he has come to the same conclusion as General Li after reading the telegram, i.e., "To love him is impossible, etc.". What kind of justice is that which is controlled by love or hate? Yuan says he has considered the matter very carefully after rwading the telegram. What evidence was there? What justice was accorded the deceased? President Yuan sent a man to his death on the testimony of a worthless piece of paper.

President Yuan Shih-kai has, by his latest action, showed himself in his true colors - an absolute autocrat. He has heaped villiany upon villiany and has proved himself unworthy of the great trust reposed in him by the people of China. He has made justice hollow mockery and the name of the Republic a travesty to be laughed at. He has forfeited forever whatever little confidence the people might have placed in him by proving himself a despot in every sense of the word and riding rough shod over the most sacred principles of the Republic. We shall not be surprised if a great crisis is at once precipitated, the responsibility for which will be justly laid at Yuan's door and the finger of reproach pointed at him. He has made himself an Emperor in all but name.

THE CHINA REPUBLICAN.

MONDAY, August 19th, 1912.

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SENTENCE OF DEATH.

President Yuan Shih-kai as Judge.

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The following is a translation of the sentence, pronounced by Yuan Shih-kai and published by his order by the Captain General of the Peking Gendarmerie:

"On the 15th instant, a martial order was received from the President which states that he is in receipt of a telegram from Cice-President Li, dated the 13th instant, which reads as follows:-

"Chang Cheng-wu took part in the Wuchang rising, when he was a teacher of an elementary school, rising eventually to Assistant Military Commissioner. Although he had done meritous service, yet he monopolizes power and cultivates confederates, giving free vent to his habit of insolence and insubordination. He embezzled large sums of money when he was sent to Shanghai to purchase arms. In connection with the two attempts at rebellion in Wuchang, he intrigued and incited the Officers' Union in secret to rise against the authorities. Fortunately the Union being righteous, has not been influenced by him. I, Yuan-hung, have generously tolerated him more than once. I have appointed him to investigate frontier affairs, and thus an order has been issued by the President sending him to Mongolia. But CHeng-wu has advanced other demands; he became angry and returned to Hupeh upon a single word not being agreeable to him. His self-will may be understood. Now, he has even spread sedition among the soldiers, conspired with the bad characters of the place and secretly plotted against the Government. His heart is like that of the wild wolf. He takes advantage of the name of the political party as well as the praise of the Press to gain his ends and cover his plotting. I am tired both of Dissuading him and taking precautions against him. It is fortunate that my officers and men are all loyal and my intelligence department quick and clever; so that all his machinations have been brought to light and the Hupeh populace has been preserved by Heaven. Nevertheless as the chief evil-doer is not yet killed, during the present unsettled state of the country it would be fatal to risk any longer permitting him to have another chance. To love him is impossible, but to patient I dare not. I beg you to execute his fellow conspirator, Fang Wei, at the same time. Apart from these, all other men accompanying them are deeply trusted by me. Should they desire to return home, please supply them with funds and send them away.

Though Chang Cheng-wu is to be killed as demanded by law, yet his service still remains undiminished. The men under him are all innocent. I will arrange the affairs of his funeral, provide for his family and give to his followers the means of getting a livelihood. I am an unworthy man, and being put at the head of the officers, I feel ashamed of myself for being so devoid of tact that the heroic mover of the revolution has changed to the chief offender. I request that I be punished so as to appease the soul of the

depassed

deceased."

I find that Chang Cheng-wu, having done service, should be faithful to the end, so as to be a great man ultimately. Having considered the matter carefully, I come to the same conclusion as the Vice-President That "To love is impossible, etc." I am compelled to order the Peking Gendarmerie to obey this document.

This Yamen, (Peking Gendarmerie) has, therefore, to execute Chang Cheng-wu and Fang Wei by shooting them. Their funeral will be carried out on the scale of that of a General."

Political situation at
Sub. Hankow.
Recd. Sept. 10, 1912.
Ack.
Ans.
Ref.
A. S.

L. No. 150.

Duplicate to Dept.

AMERICAN CONSULATE GENERAL,

Hankow, China, September 7, 1912.

Subject: Political Situation at Hankow.

ack Note ✓
The Secretary.

Second Secretary.

800

Honorable W. J. Calhoun,
American Envoy Extraordinary
and Minister Plenipotentiary,
Peking, China.

Sir:-

I have the honor to report that the political situation at Hankow has continued to be very satisfactory, so far as I can learn, since my last report.

There does not appear to be any real dissatisfaction with General Li Yuan-hung, either among the better classes or among the common people, while the army seems to be entirely loyal. In fact the General is in my opinion becoming more firmly established in the affections of the people every day.

A young military officer of high rank who is attached to General Li stated to Mr. Jameson recently that the Hupei delegates in Peking would be replaced by others on account of the antagonistic attitude they had assumed towards General Li. An American who has occasion frequently to meet General Li and his subordinates states that there has of late been a marked increase in the deference shown to the General by the other officials, the familiarity which they formerly allowed themselves even in formal consultations having disappeared. Altogether I believe the authorities have the situation well under control.

The body of General Chang Chen-wu arrived in Hankow on Monday, the 2nd instant, and was met apparently only by relatives and intimate friends, besides the official representatives. Soldiers were detailed as a guard of honor and the station was decorated for the occasion. The body was left in the station over night and on the following day was transported with much ceremony but without much following on the part of the public to a house in the Chinese city where it is still lying in state. The ceremonies have been very quiet and unaccompanied by any attempt at a popular demonstration so far as could be observed. On the first day only the relatives and intimate friends were present. Representatives of the various bureaus at Wuchang have been sent to watch over the body, and no one without a special badge is allowed to enter. It is understood that the body will shortly be moved to Chuki Hsien, in this province, which was the General Chang's native place. Undoubtedly Chang left friends who would like to stir up trouble, and some ghastly photographs of the corpse with inflammatory inscriptions have been circulated, but I believe that they will not be able to do serious harm. The excitement of the local press seems to have subsided as far as this matter is concerned. General Li has not attended the ceremonies here but is reported to have gone through a ceremony before Chang's tablet in Wuchang.

In connection with the discussion of the complicity of General Hwang Hsin in Chang Chen-wu's conspiracy, I have the honor to enclose herewith a clipping from the Central China Post, confidently asserting that Hwang Hsin did visit Hankow in the early days of July when the trouble was brewing, in spite of the published denials. A foreigner known to me as a responsible person asserts that he himself had had dealings before with Hwang Hsin and knew him well and that he saw him at a certain Hankow hotel early in July.

I simply report the above for what it may be worth. It may be that the visit had nothing to do with any criminal plot but I believe its purpose was at least unfriendly to the present administration.

I have the honor to be, Sir,

Your obedient servant,

Roger S. Greene

Consul General.

Enclosure:-

Hwang Hsin's Secret Visit to Hankow, from Central China Post of September 3, 1912.

In duplicate.

plicity of General Hwang Hsin' in Chang Chen-wu's conspiracy, 1/ I have the honor to enclose herewith a clipping from the Central China Post, confidently asserting that Hwang Hsin did visit Hankow in the early days of July when the trouble was brewing, in spite of the published denials. A foreigner known to me as a responsible person asserts that he himself had had dealings before with Hwang Hsin and knew him well and that he saw him at a certain Hankow hotel early in July.

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Roger S. Greene
Consul General.

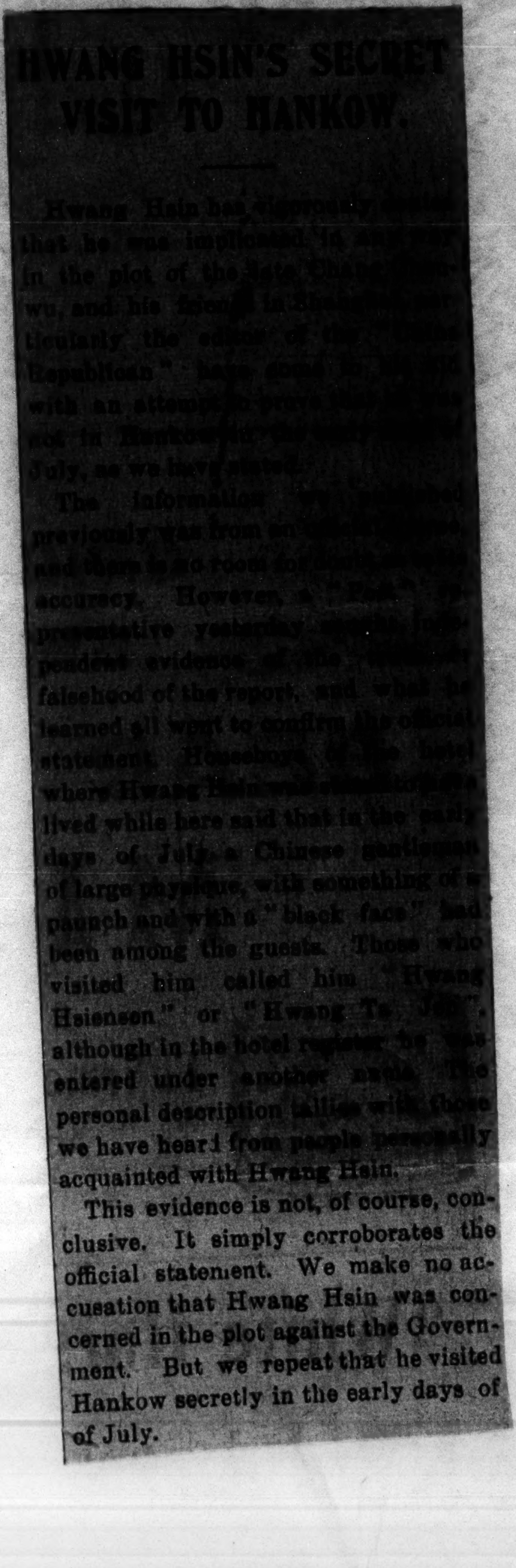
Enclosure:-
Hwang Hsin's Secret Visit to Hankow, from Central China Post of September 3, 1912.

In duplicate.

ENCLOSURE WITH DESPATCH L. NO. 150 OF SEPTEMBER 7, 1912,

FROM HANKOW, CHINA.

Clipping from Central China Post, September 3, 1912.



HWANG HSIN'S SECRET VISIT TO HANKOW.

Hwang Hsin has vigorously denied that he was implicated in any way in the plot of the late Chang Chen-wu, and his friends in Shanghai, particularly the editors of the "China Republican" have come to [illegible] with an attempt to prove that he was not in Hankow in the early days of July, as we have stated.

The information we published previously was from an official source and there is no room for doubt of its accuracy. However, a "Post" representative yesterday sought independent evidence of the truth or falsehood of the report, and what he learned all went to confirm the official statement. Houseboys of the hotel where Hwang Hsin was [illegible] to have lived while here said that in the early days of July a Chinese gentleman of large physique, with something of a paunch and with a "black face" had been among the guests. Those who visited him called him "Hwang Hsiensen" or "Hwang Ta Jen", although in the hotel register he was entered under another name. The personal description tallies with those we have heard from people personally acquainted with Hwang Hsin.

This evidence is not, of course, conclusive. It simply corroborates the official statement. We make no accusation that Hwang Hsin was concerned in the plot against the Government. But we repeat that he visited Hankow secretly in the early days of of July.

ENCLOSURE WITH DESPATCH L. NO. 150 OF SEPTEMBER 7, 1912,

FROM HANKOW, CHINA.

Clipping from Central China Post, September 3, 1912.

HWANG HSIN'S SECRET VISIT TO HANKOW.

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This evidence is not, of course, conclusive. It simply corroborates the official statement. We make no accusation that Hwang Hsin was concerned in the plot against the Government. But we repeat that he visited Hankow secretly in the early days of July.

Uprising in Mongolia

Sub. ....

Sept. 13, 1912

File No. 800

Leg. No. 241.

Recd. ....

Ack. ....

FDF/F.

Ans. ....

Ref. ....

A..e. ....

AMERICAN CONSULATE GENERAL

MUKDEN, CHINA.

September 10, 1912.

SUBJECT: Uprising in Mongolia.

The Secretary

Second Secretary.

Honorable W. J. Calhoun,
American Envoy Extraordinary
and Minister Plenipotentiary,
Peking, China.

8

Sir:-

I have the honor to inform you that the following reports have been received here regarding the Mongol uprising in the region of Taonanfu.

It is reported here that the Russian Railway Company have refused to transport Chinese troops for service in suppressing the Mongol uprising in the region of Taonanfu, giving as their reason their desire to remain neutral in this struggle.

It is reported that Ching An Hsien (靖安縣) fell into the hands of the Mongols on the 7th instant. Ching An Hsien is situated to the southeast and under the jurisdiction of Taonanfu.

The Chinese troops are reported to be entrenching along a line through Chang Ling Hsien (長嶺縣) to the northwest of Changchun.

With the exception of the artillery, the 24th division has been successfully formed. Its headquarters is outside the north gate, Mukden. General Chang Cho Ling will have command. This division is being made up of the old 2nd Mixed Brigade and Hsün Fang Tui.

It is reported here that orders have been issued for the mobilization of the 3rd Division at Mukden, for service in suppressing the Mongol uprising.

The Local Government has entered contracts with Messrs. Carlowitz and Company and Diederichsen and Company for the supply of guns, rifles and ammunition to the extent of about Taels 1,000,000.

I have the honor to be, Sir,

Your obedient servant,

Fred D Fisher

Consul General.

Copy sent to the Department of State.

Serial No. 33.
File No. 800.

AMERICAN CONSULATE,

Chungking, China, September 20, 1912.

Subject: Thibetan Crisis.

Sub. Tibetan crisis
Recd. October 2, 1912
Ack.
Ans.
Ref.
A.

Honorable W. J. Calhoun,
American Envoy Extraordinary
and Minister Plenipotentiary,
Peking, China.

ack + file

✓The Secretary,
Second Secretary.

800

Sir:-

Referring to my No. 31 of the 9th instant with regard to subject above mentioned, I have the honor to state that a letter in this connection is just now received from Mr. Service at Chengtu and that the following excerpts are taken therefrom :

> "I was glad to get your letter of the 8th and 9th. It came this afternoon while the Civil Governor, Chang Nie Wu, was giving his lecture at the Y.M.C.A. Later, no opportunity offered for sounding the Governor on the matter you asked me to telegraph you about, but since then I have found opportunity to make inquiry quietly of a number of our fellows who are in a position to know pretty well what is doing. They say that while there is some talk, there is nothing definite or violent, and what has been said has been about Great Britain. The United States has not been mentioned in this connection at all. There certainly is not and has not been since I have been here any evidence of anti-foreign feeling that has come to my notice. To my mind the situation calls for an answer, 'Nothing special', so I have sent that with no additions."
>
> "Things are really very quiet here as far as things in the province are concerned. Reports are rife that Japan and Russia are massing troops in Manchuria. A little while ago the reports of the partition of the country were greatly stirring the people, but they suddenly died down. Some people will tell you that the conditions are getting worse, but to me, it seems as though they were improving. I do not profess to be a prophet, but I do think that the government here is going to make good. Slowly perhaps, and not without mistakes and instances of incapacity and corruption, but still I believe that they are making progress."

The views expressed by Mr. Service with regard to conditions in general at Chengtu are held by a major portion of the foreigners now there and coincide with those which were given in my recent reports. Mr. Knight, one of the American teachers, writing on the 8th instant stated "Am very busy, school has opened full blast and I have an engagement in the Technical School also. Everything seems quiet and normal." Mr. Hofmann makes the following characteristic observation : "Guess Szechuan is not half so bad a province as many another where people are thanking God they are not back here." The teachers are happy enough to be back in Chengtu and realize that most of the alarming reports of Szechuan circulated down river since last February have been grossly exaggerated.

I have the honor to be, Sir,
Your obedient servant,

Consul.

P.S.
A copy of this despatch is also being sent to the Department.

Copy to Dept.
9/24/12.

Sub. Affairs in Tibet, Mongolia and Manchuria.
Recd. Sept. 24, 1912
Ack. ....
Ans. ....
Ref. ....
A.s. ....

L. No. 157.

AMERICAN CONSULATE GENERAL,

Hankow, China, September 20, 1912.

The Secretary.

Subject: **Tibetan Affairs**.

Honorable W. J. Calhoun,
American Envoy Extraordinary
and Minister Plenipotentiary,
Peking, China.

Second Secretary.

800

Sir:-

I have the honor to enclose herewith two translations from the Chinese newspapers which may be of interest to the Legation as giving the local Chinese conception of the Tibetan question.

I have the honor to be, Sir,
Your obedient servant,

J. Paul Jameson
Vice & Deputy Consul General.

Enclosures as stated.

In duplicate.

801.44

ENCLOSURE WITH DESPATCH NO. 157 OF SEPTEMBER 16, 1912, FROM
HANKOW, CHINA.

CONQUEST OF TIBET. TRANSLATION.

Telegram from Vice President Li to President Yuan.

Ta Han Pao of September 15, 1912.

The independence of Tibet was declared by the living Buddha several months ago. Although we have been victorious in battle, it would take a long time to suppress the rebellious Tibetans. If we allow the fighting to go on for a long time, our soldiers would be worn out. The Tibetan rebellion will be extremely difficult to put down unless we employ strategem.

Vice President Li has telegraphed the following five schemes to the President:-

I. The way to Tibet being mountainous and rugged, one person occupying an important place can resist thousands of troops. Our troops should attack Tibet from three different points. (a) Roving soldiers should emerge from Yunnan to attack Tachienlu, (b) the ordinary troops should attack Batang from Kuh-mun-to (喀木多) and (c) the reserve troops should attack Lhasa from Kansu through Ching-Hai. To attack the Tibetans from these points will make them helpless. Then Litang and Batang will be taken without difficulty.

II. When the living Buddha declared independence the lamas were only induced to follow him and did not revolt of their own accord. It will be of benefit to send persons well-versed in Tibetan language to instruct the Tibetan people everywhere and inform them of the object of the Republic, emphazising the fact that all the five tribes will be members of one family; that they and we will share the happiness of republicanism together and that no more oppression will be land upon them in the future. Though the Tibetans are stupid and ignorant, I am sure they can be educated. It is probable they will finally welcome our troops.

III. With the assistance of a certain foreign nation the living Buddha was enabled to declare the independence of Tibet. Although the said power has declared itself neutral, it is time to instruct the Foreign Office to revise the treaty with this foreign power, setting forth that the mines and forests between the Ya-tung-kwan and Kiang-tsü and the Bramaputra river belong to the Chinese Republic. All mortgages made by the Tibetans to the Russians*, without the sanction of the Republic will be null and void. Once the assistance of the power is withdrawn, the living Buddha will become helpless.

IV. Without the assistance of the Russians* the living Buddha will not know what to do. His plot to declare independence will come to an end. At this time we must send eloquent men well-versed in the Tibetan language to induce the adherents of the living Buddha to persuade him to do homage to the Republic and to promise him his old privileges, except the right to interfere in politics and government.

V. Since the time of Kwang Hsü of the old regime, the living Buddha has been in discord with the lamas. Now though they follow him in his rebellion, they were incited thereto by trickery. The sending of eloquent speakers to cast seeds of dissension among them will have the effect of separating them. They can be induced to fight each other by promising the lamas high honors after peace is restored. By these means the Tibetan rebellion may be quelled within two months.

I have the honor to make these proposals and hope to receive instructions on them.

Li Yuan-hung.

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* Probably misprint for British.

L. No. 158. Duplicate to Dept. 10/3/12

Sub. Political conditions at Hankow. Riot at Wuchang
Recd. September 29. 1912
Ack.
Ans.
Ref.

AMERICAN CONSULATE GENERAL,
Hankow, China, September 27, 1912.

Subject: Political Conditions at Hankow.
Riot at Wuchang.

Honorable W. J. Calhoun,
American Envoy Extraordinary
and Minister Plenipotentiary,
Peking, China.

Duplicate to Dept. ✓ Second Secretary.

800

Sir:-

I have the honor to enclose herewith in duplicate newspaper clippings in reference to the recent riot in Wuchang. 1/

The clipping from the Central China Post gives a substancially correct account of the affair. There are several stories of the real cause of this disturbance. Publicly the cavalry and artillery are said to have plotted to capture and loot the city. These branches of the army are reported as being discontented over the recent change of officers.

I have learned from two distinct private sources that the disturbance was due to a number of disbanded soldiers and that they had been instigated by the followers of Chang Chen-wu. This may or may not be true. I am investigating the matter further and will inform the Legation of the results.

All the American missionaries are safe and every protection and courtesy seems to have been extended to all foreigners in Wuchang at the time of the riot.

All was quiet in Wuchang yesterday.

I have the honor to be, Sir,
Your obedient servant,
J. Paul Jameson
Vice & Deputy Consul General.

ENCLOSURE WITH DESPATCH NO. 158 OF SEPTEMBER 27, 1912,

FROM HANKOW, CHINA.

[illegible] RIOT AT WU-CHANG.

FIGHT OUTSIDE THE CITY GATE.

RIOTERS GET SHORT SHRIFT.

HUNDRED CAPTURED AND A SCORE EXECUTED.

(From Our Own correspondent.)

Wuchang, Sept. 25.

Residents had their sleep broken again on Tuesday night by the old familiar sound of rifle-firing. Rumours had been about on Tuesday that something was wrong, but no one gave them much heed. However, it is reported that two officers were executed that afternoon for failing to inform General Li of a meditated attack on the mint. The soldiers camped at the Nan Hu marched on the city about midnight on Tuesday, expecting that the gates would be opened by the soldiery inside and that then they might make a united attack on the mint and any other place that seemed worth while.

THE PLOT HAD LEAKED.

Whether their schemes were not fully matured or whether their credulity was too great I do not know; at any rate the authorities in the city were quite ready for them and the attackers retired after an hour or two, leaving a few dead behind.

Considerable forces have been operating in the neighbourhood of the Nan Hu ever since dawn, presumably hunting down the defeated rioters. Four of their captives have been executed on the parade ground this morning, and the pursuers are many of them returning with what look like bundles of clothing and boxes from the camp at the Nan Hu. In addition to the camp south of the city there is also a school of cadets, but your correspondent has not heard that they are implicated. There is talk of the death of two colonels. Whether these are the two referred to above or officers in command of the revolted troops there is no present means of knowing. The city seems as quiet as if nothing happened. Gates are open and business going on as usual.

The thing for the authorities to be congratulated on is the loyalty of the troops within the city walls in spite of the fact that they were tampered with and one or two of the officers were implicated.

BOY REVEALED THE SCHEME.

Later.

Some further light is now to hand on the abortive revolt of Tuesday night. There appears to have been a clumsy plot to capture and loot the city. Some small amount of dignity was given it by the selection of certain individuals for high office, but it can hardly be called a political rising. The chief actors were the soldiers of the cavalry camp (1st and 2nd) outside the Chi I Men, but there seems to have been some sort of tacit understanding between them and a camp of artillery in the same neighbourhood and they evidently counted on the sympathy if not active participation of the "Chiao Tao Tan." The affair came to the knowledge of General Li through a youth who was either a message bearer or spy operating between the Nan Hu and the "Chiao Tao Tan." The latter saw the folly of the whole business and quickly carried the lad off to General Li. He was frightened into telling all he knew, with the consequence that six or seven of the conspirators were prompty lodged in goal, then beheaded.

By ten o'clock all streets were picketed and the gates closely guarded, though the guards had orders not to take the aggressive.

About midnight the cavalry arrived, expecting to have the gates thrown open to them. Instead of that they were met by a resolute guard who turned out, to be strongly reinforced as soon as those outside the city made an attack on the gate. Seeing their game was up the cavalry made off, only to be quickly pursued to their camp, where after a short struggle some hundred were captured and brought into the city. There must be several hundred fugitives scattered over the South Country, but large numbers of loyal troops are encamped out there tonight and there is not likely to be further trouble.

FOREIGNERS WELL TREATED.

One pleasant duty is left to be performed, viz. to call attention to the unfailing courtesy of soldiers and their officers to foreigners residing in their midst at times like this.

Every time there has been any trouble the greatest care has been taken to look after both life and property of foreigners, and whilst one reads from time to time of rudeness and want of discipline in other places it is a pleasure to be able to record that the courteous and thoughtful treatment of our foreign compounds by the soldiers has been all that could be desired and more than could have been expected.

MUTINY OR MERELY A RIOT?

Our Wuchang correspondent's account is borne out for the most part by the native paper reports and by inquiries made by our Chinese reporter in Wuchang. But another account is given by General Shih Lung-chuang and corroborated by two foreigners who were in Wuchang at the time when measures for the suppression of the riot were being arranged. Their story is that the trouble was no more than a raid organised by a gang of rascals who were joined by some of the disbanded soldiers All that had to be done was to surround the rioters, kill a few and capture a large number—over a hundred.

One of the native papers says that an officer who was among those captured claimed that the society that arranged this outburst had branches at Hankow, Hanyang and Shanghai. We doubt the veracity of this report but give it for it is worth.

ENCLOSURE WITH DESPATCH NO. 158 OF SEPTEMBER 27, 1912,
FROM HANKOW, CHINA.

BUTCHERY OF SOLDIERS.

From Ming Kuo Jih Pao of September 26, 1912.

On the 24th instant, about 8 p.m. there was disturbance at Wuchang. The troops and policemen kept a strict watch, and the people were very much alarmed. The following is an account of the conditions:-

Cause of the Riot:- The colonel of the Cavalry, Fu Jen-chieh (傅人傑) found no favor with his soldiers. Between him and them there was much ill feeling. (As the high officers of the Cavalry during the revulution have been displaced, the soldiers are discontented.) Though he had been accused several times, no steps had been taken against him. Consequently he and his soldiers were at enmity. The cavalry men joined with the retired soldiers for the purpose of overthrowing Fu Jen-chieh. They desired to revenge themselves by exposing his shortcomings.

Discovery:- Captain Tsen Cheng-fang (陳鎮藩) of the Chiao Tao Tang (教導團) was not on good terms with his colleagues. Having resigned the presidency of the "Tung Pao Shih (同袍社), he wished to resign this captaincy also. Because he feared that his soldiers would overwhelm him, he sent out detectives to make inquiries. On hearing the news of a riot he reported the same to General Li exaggerating the rumors. Consequently the whole staff of General Li's office was greatly alarmed as if a great enemy had come before them. Stationing soldiers at the important places, General Li despatched his councillor, Yu Tan Shu (呂丹書) with a force to

No. 14 on Char Chu Street (紫珠街). This was Ku Ping's house where they arrested Ku Ping (顧斌), Yuan Pao-shan (袁寶山), Wu Teh-sheng (吳德勝) Chu Chin-piao (朱金摽) and others - 27 men in all. In the Yee Fu Tea-house (意福) on the Long Street (長街) six others were caught. In the Tai Chun Ling Perfumery Shop (戴春林粉店) they got hold of a suspected woman. These they brought to the Tutuh's yamen.

Midnight Shooting:- Just at midnight the sound of firing broke out around the Cavalry Inspection Ground (閱馬廠), the New South Gate and Hwang Tu-po. Thereupon the councillors and secretaries were frightened out of their wits and fled for their lives. Some of them cameout bare-footed. The guards stopped them, as it is not right to live extravagantly in times of peace and run away as soon as there is danger. Then they began to weep and begged for life. General Li seeing that affairs were very unsettled ordered that Ku Ping (the Commander-in-Chief) be beheaded with the Tutuh's yamen, and that the rest be imprisoned. He also instructed that a close guard be kept. Thus passed the night of the 24th.

TROOPS SENT:- When the firing broke out, General Li knowing that the cavalry soldiers had caused the disturbance, deputed Tsai Han-ching (蔡漢卿) General of the 4th Division to leave the city with his troops and resist the rioters. (2 or 3 o'clock a.m. on the 25th) His soldiers were those of the 7th brigade. At that time the cavalry and artillery had been besieged.

Proclamation Issued:- Having received orders from General Li, General Tsai led his troops out of the city and issued proclamations to inform the people that he had been ordered to exterminate the cavalry troops, and that they should attend to their business, remain quiet and not be alarmed.

Number Killed:- Yuan Pao-shan, Wu Teh-sheng, Tseen Hwan-chang (陳煥章) and Li Tsan Kwai (李占魁) and others were beheaded within the Tutuh's yamen and their heads were exposed at Nan Lu (南樓). The eleven men Tsai Han-ching brought back from the South Lake were executed at the Cavalry Inspection Ground.

Merchants and People Alarmed:- The people and merchants living between the South Lake and the Pao-an Gate (保安門) sustained great losses. The people inside the city were alarmed. Many moved out of their houses. This was the condition of Wuchang before 12 noon, on the 25th.

Cruel Slaughtering:- According to a trustworthy report, Tsai Han-ching arrived with soldiers, while the cavalry were taking their meals. The cavalry were surrounded and fired at from all directions. As this was beyond the expectations of the cavalry soldiers, more than 400 of them were shot dead. But the General reported that he had shot dead only some 100.

Duplicate to Dept.

L. No. 160.

10/4/12.

Sub. Political conditions

Recd. Oct 3 1912

Ack. Oct. 4. 1912.

Ans.

A.s.

AMERICAN CONSULATE GENERAL,

Hankow, China, September 28, 1912.

Subject: Political Conditions.

Honorable W. J. Calhoun,
American Envoy Extraordinary
and Minister Plenipotentiary,
Peking, China.

The Secretary.

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100.

Second Secretary.

Sir:-

Supplementing my No. 158 of September 27th last, I have the honor to submit the following report on the political conditions in Hankow and vicinity.

So many causes have been assigned to the recent riot in Wuchang that it is impossible to arrive at a conclusion as to the actual cause. The Chinese officials are very silent on the matter, but the reasons assigned by those who talk at all are diverse. The following is a list of the supposed causes of the disturbance:-

1. Uprising of the Imperialist Party (宗社黨).
2. Uprising of the Lake and Sea Society (湖海會).
3. Instigation of Fu Jen-chieh, Colonel of cavalry.
4. Uprising of the followers of Chang Chen-wu.
5. Uprising of a secret society from Shanghai, the aim of which is to overthrow General Li Yuan-hung.
6. Uprising of the soldiers who fought in the

Revolution, and have not been rewarded with positions in the Government.

Any or all of these may have been the cause of the recent riot. Since the revolution much bad feeling has existed between the upper and lower classes. The republic seems to carry with it among the people of this district an idea of absolute equality for all. Those not in power feel that they are entitled to it, while those in authority naturally cling to their positions. Jealousy among the officials has resulted in the formation of many factions. That General Li Yuan-hung has been able to hold in check these various factions is in my opinion due solely to the fact that he is absolutely non-partisan himself.

I am informed by several responsible people that the main factor in the disturbance was the influence of the followers of Chang Chen-wu. These followers found a very fertile field to work upon in the disbanded soldiers, who are without employment and disinclined to work. Recent changes in the cavalry have also caused much adverse criticism of General Li. It is asserted that he has displaced many of the officers who fought in the revolution, and appointed his own favorites - untried men - to these positions. There is certainly a considerable feeling here among the Chinese against General Li, but whether this feeling is due to the instigation of the followers of Chang Chen-wu or to other reasons, is uncertain. A definite organization known as the Chung I T'ang (中議堂) has at any rate been formed, which has its own badge, pass-words, etc. I enclose herewith a facsimile of the badge, together with a translation

1/

of General Li's letter concerning it as published in the Ta Han Pao, of September 29, 1912. A note appended states that a great many of the characters used on this badge are incorrectly written, and that a society organized by such illiterate people cannot hope to accomplish anything. It may, however, be an attempt to conceal the real meaning. The actual number of people killed in the recent riot varies according to one's informant from 30 to 400. The Chinese officials admit that 30 were beheaded and that another forty drowned themselves rather than be captured. Reports from non-official sources give the number as two to four hundred. Whether the recent riot was simply a disturbance caused by a number of malcontents or whether a movement of a more serious nature has been started is a matter still to be demonstrated.

A significant change has taken place in the relations between General Li and his officers since the death of Chang Chen-wu. Before this event scant respect was shown him by his own officers. His power was nominal, and he was to a large extent in the hands of the faction leaders, who were so jealous of each other that they agreed to the leadership of General Li, a non-partisan man, rather than run the risk that the control of affairs fall into the hands of one faction. I have myself on several occasions noted with surprise the lack of respect, sometimes amounting to actual rudeness, shown to General Li by the officers under him. On one occasion a foreigner in Hankow was present when one of the petty officers of the General's staff insulted the Vice President by talking to him in pigeon

English, and was not reproved for it. Since the death of Chang Chen-wu all this is changed. The General now seems to have the actual power. Every respect is shown him by his associates. He handled the recent riot in a very masterful way, and had his loyal troops under complete control. This assumption of the actual power on the part of General Li seems to have made him many enthusiastic friends and at the same time numerous enemies.

Since the riot Wuchang has been remarkably quiet. Yesterday and to-day, however, many rumors are being circulated of further trouble which is expected to take place in Wuchang in the near future. The source of these rumors is a mystery, but several facts have come to my attention which tend to show that there is something behind them. To-day some 2,000 Kiangsi troops arrived by rail from a point up the railway, and were immediately sent over to Wuchang. I was informed by General Shih, Vice President of the War Bureau that this was simply a transfer of troops, and that a Hupei regiment was being sent North to take the place of the Kiangsi troops. General Shih is at present living in the French Concession here and is apparently in fear of his life. He admitted to me that as Vice President of the War Bureau he had condemned thirty of the rioters to death and thought it desirable to remain in the foreign concessions for the present. The French police are said to be carefully protecting him. The French Superintendent of Police asserts that an attempt is being made on the part of the friends of the condemned men to capture and kill him.

I

I have also been informed by a person who may be relied on that this morning one camp of troops (said to consist of over 500 men) was transferred from Hanyang to Wuchang and are now stationed near the cavalry quarters. A section of this cavalry troop was involved in the recent riot and the remainder are suspected of mutinous intentions.

It is generally believed here that should any serious mutiny or uprising be planned, it will occur on or about October 10th, at the time of the anniversary of the Revolution of 1911.

The Vice President of the Bureau of War informed me this afternoon that no trouble was expected, but added that in case a disturbance did occur in Wuchang, General Li would have no difficulty in suppressing it, as he was in complete control of the situation, and was prepared to meet any emergency. He also stated that a full company of soldiers had orders to protect the foreign missionaries in case of an outbreak.

Whether these rumors are entirely without foundation or not it is impossible to determine at the present time. The U. S. S. Villalobos, the only American gunboat in port, is prepared to put ashore a landing party either in Wuchang or Hankow in case of necessity.

All was quiet in Wuchang to-day.

Rumors are also current of disturbances at Siangtan and Changsha, Hunan, and Nanchang, Kiangsi. A general feeling of unrest seems to have developed within the past week.

I

I have the honor to be, Sir,

Your obedient servant,

J. Paul Jameson

Vice & Deputy Consul General.

Enclosures as stated.

In duplicate.

800.

ENCLOSURE WITH DESPATCH L. NO. 160 OF SEPTEMBER 29, 1912,
FROM HANKOW, CHINA.

TRANSLATION.

Riot at Wuchang.

Ta Han Pao of September 29, 1912.

In the last few days rumors were current, that on a certain day of a certain month marauders had planned to cause a disturbance. He who tells of it turns pace and he who listens to the story is greatly alarmed. Many people move away from their homes. Every one is in a state of terror. In reality the place of organization of the said marauders was discovered long ago. In their den many badges and other articles have been found. In the trial they confessed that they were plotting to do evil. Meantime General Li ordered that more than ten of the chiefs be decapitated according to martial law and that the followers might be left to shift for themselves. A copy of the badge was sent to this press together with a letter asking us to publish the same in the columns of our paper, so that ignorant people might not be fooled. The badge of the evil party is printed here. The following is the letter from General Li:-

Recently on the arrest of the marauders we have captured more than thirty of their badges, made of golden yellow silk. Herewith is enclosed a copy of the form and the characters on it. It is to be printed in your paper so that those who live far and near may be informed. Any one who has one of these badges should destroy it. He must not conceal it. Any one in whose possession a copy is found will be dealt with according to martial law. It is hereby hoped that you, soldiers and common people, will take note of this and that you will not fall into the clutches of the law. A special notification.

September 28, 1912. Seal of the Tutuh.

Sub. Visit to Changsha - Political situation
Recd. Oct. 6, 1912.
Ack
Ans.
Ref.
A.s.

No. 65.

Hankow, China, October 1, 1912.

The Secretary.

Subject: **Visit to Changsha: Political Situation.**

Second Secretary.

Original & Cp't. Rc'd 8.

800

THE HONORABLE
THE SECRETARY OF STATE,
WASHINGTON.

SIR:-

I have the honor to report that I returned on the 20th ultimo from a visit to Changsha, where I went on the 11th idem to take up with the local authorities certain questions which had arisen in connection with the operations of the Standard Oil Company in this province as well as to look into commercial and other conditions there.

I arrived in Changsha on the afternoon of the 12th ultimo after a journey of 36 hours by a Japanese steamer from Hankow. Our route was up the Yangtse River to Changling Chi where the steamer stopped for the night, and thence past Yochow, through the Tungting Lake and Siang River to Changsha. There was a very considerable

traffic

Sub. Visit to Changsha - Political situation

Recd. Oct. 6, 1912

Ack

Ans.

Raf.

A. S.

No. 65.

Hankow, China, October 1, 1912.

The Secretary.

Subject: Visit to Changsha:

Political Situation.

Original to Dept. Oct. 8.

Second Secretary.

800

THE HONORABLE

THE SECRETARY OF STATE,

WASHINGTON.

SIR:-

I have the honor to report that I returned on the 30th ultimo from a visit to Changsha, where I went on the 11th idem to take up with the local authorities certain questions which had arisen in connection with the operations of the Standard Oil Company in this province as well as to look into commercial and other conditions there.

I arrived in Changsha on the afternoon of the 12th ultimo after a journey of 36 hours by a Japanese steamer from Hankow. Our route was up the Yangtze River to Chengling Chi where the steamer stopped for the night, and thence past Yochow, through the Tungting Lake and Siang River to Changsha. There was a very considerable traffic up and down the stream, largely in junks, but we passed also several steamers, English, Japanese and Chinese, and in the Tungting Lake three tugs of the Han-yeh-ping Iron and Coal Company towing altogether seven large barges and eleven Chinese lighters loaded with Pinghsiang coal for Hankow. I remained on the steamer over night, and the next day at the invitation of the Rev. Brownell Gage took up my quarters at the Yale School, an undenominational educational institution, the nature and aims of which are doubtless well known to the Department.

Changsha is a fine walled city of about 250,000 inhabitants. As compared with Hankow and Wuchang it is remarkable for its neatness; the principal streets are well paved with flag stones, are kept comparatively clean and are well policed. A good deal of work in the line of improving the roads is now being done. Along the water front there has been under construction for several years a very imposing line of stone bunding with steps at frequent intervals leading down to the water. Although the masonry work seems nearly finished except for a few short gaps, there has not been any sign of progress with the work of late, and a great quantity of filling in and grading must be done behind the wall before a proper bund road can be constructed. The water front is now almost impassable except for short distances. Inside the walls the principal business streets present a very prosperous appearance with all kinds of large shops. The very large number of shops dealing in miscellaneous foreign goods, hats, toilet articles, clothing etc. is noteworthy. Most of the foreign firms are located outside the walls, partly for convenience, and partly on account of the determination of the gentry and officials to allow no one to rent houses to them within the walls. House owners have even been threatened with decapitation if they should venture to lease property to foreign merchants.

The only American firm at Changsha which is represented by Europeans is the Standard Oil Company of New York. The manager is an Englishman and his assistant an American. There are besides two Europeans in charge of construction work at the oil storage installation at Machang, some distance below the city. The Singer Sewing Machine Company has an office inside the city under a Chinese manager.

There are seven American missionary enterprises in the city, the Yale Mission, the United Evangelical Church Mission, the Christian and Missionary Alliance, the Seventh Day Adventist Mission, the American Bible Society, the Broadcast Tract Press, an independent establishment, the American Episcopal Mission and the Y. M. C. A. The last two organisations have no American representatives in the city at present. Altogether there are now twenty eight Americans at Changsha, 11 men, 8 women and 9 children. Last year there were three Americans teaching in the Government Technical School at Changsha, but they were all dismissed as the school has been closed. All the missions except the American Bible Society are within the walls. The Yale Mission has, however, bought a considerable stretch of land outside the North Gate and will shortly begin to build. There is no actual foreign settlement at Changsha. The

Japanese concluded an agreement with the local authorities for an international settlement shortly after the opening of the port, but as the object of the Chinese was to restrict foreigners to the proposed settlement outside the North Gate, the other powers refused to assent to the plan.

As for other foreigners, the Germans are the predominating element commercially. Carlowitz and Company, Arnhold, Karberg and Company, Siemssen and Company, Schwarz, Gammer and Company, and Fuhrmeister and Company are represented, the first two being particularly strong and doing a large business both in imports and exports. In imports, dyes, arms and ammunition, machinery and cotton goods are most conspicuous, while the principal exports are antimony, lead and zinc ores, wood oil, skins, etc. The British firms are Butterfield and Swire, Jardine, Matheson and Company, the Asiatic Petroleum Company, the British-American Tobacco Company, the International Export Company, and the Chinese Antimony Company, Limited. The first two devote themselves almost entirely to shipping, except that Butterfield and Swire handle their own sugar, and they do not do exporting or any general importing. The other firms are all working in special lines, the import of cigarettes and petroleum, and the export of hogs and antimony, so that in the general import and export trade the Germans have no one to contend with, except the Mitsui Bussan Kaisha, the only Japanese concern at Changsha if we except the steamship company, the Nisshin Kisen Kaisha. There is one Russian merchant engaged in buying antimony.

There are a number of British missionaries in the city, the Wesleyan Mission being the strongest. Some of the British missionaries are connected with American organizations, the Yale Mission, the Christian and Missionary Alliance and the Broadcast Tract Press. There is also the Liebenzell Mission (German), and a Norwegian Lutheran Mission.

The only foreign consulates at Changsha are the British and the Japanese. The latter maintains a post office. The present British Consul is Mr. Bertram Giles, who has spent several years at Changsha at different times and appears to be very well informed in regard the the province. He is in charge of Norwegian interests, and has done a great deal for Americans in Hunan. A Mr. Takeso Ohmato, lately vice consul at Shanghai is Acting Consul for Japan.

So far as can be seen on the surface, conditions in the city are fairly normal, except that the military are still conspicuous by their numbers. The rank and file of the people in the city behave as if they were quite accustomed to the sight of foreigners, and I have not seen the slightest indication of any anti-foreign feeling among the people, even in such petty manifestations as rudeness in the streets, which is noticeably absent. None of the foreign residents that I have talked with on the subject have been inclined to fear any demonstration against them. The authorities have evidently taken special precautions to ensure the safety of foreigners for military guards are still stationed at most of the foreign compounds except those of missionaries. So far as I can learn no foreigners suffered any injury to their persons or property in Hunan during the revolution. At the same time there still seems to survive some of the anti-foreign feeling of the gentry, as manifested in a generally obstructive attitude towards foreign commercial enterprises, an example of which is furnished by the opposition to the Standard Oil Company's jetty. Business seems to be prospering and a very considerable movement of rice is noticeable. The embargo on the exportation of rice was not formally raised until August 20th, 1912, although the supply was ample and large quantities had been shipped before that date, nominally as military supplies but actually for the regular market. For a time between 250,000 and 300,000 piculs per week were shipped, and as a fee of Taels 1.30 per picul was charged for each permit a very considerable revenue was thus obtained. At present an extra likin of 610 cash per picul is charged. The British Consul informed me that it has been estimated that a two-tenths crop in Hunan is sufficient to supply the requirements of rice for consumption in the province. Last year's crop was abundant, and this year's is estimated at eight-tenths. It is stated that a considerable part of last year's crop was spoiled by being held in ware houses too long. However this may be, it is quite evident that there has been no danger of a shortage of rice, and that in the imposition of the embargo the interests of the wealthy rice merchants and of corrupt officials were given more consideration than the needs of the poorer classes, of which the agricultural population is such an important part. The removal of the embargo was due to British representations, for though British ships had been used to carry some of the so-called military rice, the embargo affected them unfavorably by interfering with the normal course of the rice trade.

While business appears to be flourishing, as I have said above, and imports are increasing, there is one very serious feature of the situation which deserves attention, and that is the instability of the local currency. Specie in quantities sufficient for large business transactions cannot now be obtained in Changsha, and dollars, small silver and copper are all comparatively scarce. The principal currency here consists of notes issued by the Hunan Government Bank, before and after the revolution, by the local branch of the Ta Ching Bank, and by the Shang Chen Chu, a private bank, besides numerous other private notes issued not only by banks but by such concerns as the railway bureau, the electric light works, etc. All at present are inconvertible. For local purposes these notes do not appear to have lost much of their value as yet, but the extent of their real depreciation is shown by the rates of exchange on other ports. One hundred Changsha taels of silver are supposed to be equal to one hundred and two Hankow taels, but on the 25th ultimo a Hankow draft for Hankow taels 100. could be sold in Changsha for Changsha taels 109 in paper, showing a depreciation of 11%. No real reserve is held by the Government banks to secure these notes, and the provincial government itself lacks the funds to come to their assistance. Besides having paid all its shares of indemnity and loan payments, the Hunan Government has remitted

ted some taels 400,000 to Peking, I have been told that the Government had been obliged to pay its troops in silver, but as a matter of fact they seem to be paid in paper.

On the 15th ultimo I called informally on the Commissioner of Foreign Affairs, Mr. Hsu Chi-ssu (時戡粟) a man about thirty-five years of age, who studied for some time in Japan at the Hosei Dai Gakko in Tokyo, but does not speak Japanese or any other foreign language. Like all the other high officials there he is a Hunanese, and prior to the revolution he was vice president of the provincial assembly. He is principally distinguished for having cut off one of his fingers during the loan agitation in 1909 as a protest against the policy of the Central Government. In discussing business matters I have found him very unsatisfactory, as his inclination appears to be to oppose any foreign proposition regardless of its merits, and he has besides a tendency to try and re-open questions that have already been settled with him, thus making exceedingly tedious the negotiation of any question that cannot be settled at one sitting. His suspicious and hostile attitude is doubtless due largely to inexperience and the fear of committing himself on a subject of which he is ignorant. The Deputy Commissioner, Mr. Chen An Liang (良安陳) is a Cantonese, and one of the original revolutionists there. He speaks English fairly well and is inclined to take a reasonable view of matters that are properly presented to him. Being an outsider there, however, he lacks influence.

Through the Commissioner I arranged to call the following day on the Governor, Mr. Tan Yen-kai (闓延譚). While the visit was intended to be informal, the Governor received me as if I were making an official call, a military guard being drawn up for the occasion. As usual one of the questions asked was as to when the Chinese Republican Government would be recognized. Governor Tan is a young man, apparently between thirty-five and forty years of age, of pleasant and unassuming appearance. He speaks no foreign language but is a scholar of the first rank according to the old standards, having passed first (   ) in the Chin Tun (   ) at the metropolitan examinations in his year and having been finally admitted to the Hanlin Academy. He was chairman of the provincial assembly before the revolution and an enthusiastic leader of the opposition party in it. To the foreign observer he appears amiable and intelligent but lacking in force and decision, though not perhaps in personal courage or public spirit, in these respects resembling my conception of General Li Yuan-hung. His patriotism is shown by the fact that he is credibly reported to have contributed taels 800,000 from his own private property to the needs of the government, reserving only a small sum for the maintenance of his mother. It is a question, however, whether this type is not the best to deal with existing conditions, while the minds of those with whom the leaders must work are still inclined to rebel at the idea of any superior authority. As the Government gains prestige and momentum, these men may display a more masterful spirit, as General Li did in causing the execution of Chang Chen-wu, or they may give place to others better qualified to administer, but less fit to disperse the disorganized and ill-disciplined forces of the revolution, and to reconcile to the idea of an established authority those elements that must be retained. In any case both General Li and Mr. Tan enjoy the confidence of their people and the respect of most foreigners who know them. Changsha joined the revolutionary cause on October 22, 1911, and Mr. Tan has held office since October 31st, 1911. He took charge when the city was in confusion as a result of the violent death of those who preceded him in authority, but I am told that the people at once felt reassured when they learned that he had been chosen to take command.

Both the Governor and the Commissioner of Foreign Affairs, as well as the directors of the mining bureau and of the railway bureau controlling the Changsha-Chuchow railway, from whom I sought commercial information, entertained me at luncheon or dinner, and I gave them all in return a dinner at the Yale School on the 23rd ultimo. On these occasions I referred to the fact that pending the recognition of the Republic our relations must be on a personal basis, expressing the hope that this would prepare the way for more than usually cordial official relations later. At all these functions there were present some persons holding no official position. I mention these details that the Department may be informed as to the nature of my intercourse with the Hunan officials and may instruct me in case my policy is not approved. The British Consul tells me that he has been instructed not to accept invitations if they are addressed to him in his official capacity.

While the Governor is a young man, the influence of the older men, the gentry of the city, is very conspicuous. The Commissioner of Finance is an elderly man, and so I am told is the Commissioner of Civil Affairs. So also were the directors of the mining and railway bureaus. As the British Consul expressed it, the gentry have always had the real power there, but under the old regime they had no responsibility. Now they not only have the power but they realise the responsibilities which rest upon them, and as a result they are becoming more practical, and probably more liberal in their ideas. I am told that even the Commissioner of Foreign Affairs has become convinced of the desirability of foreign loans, against which he formerly protested so violently, but from my experience I incline to the view that welcome as foreign capital might be, the gentry will not be so easily convinced of the necessity of the measure of foreign control which foreign capitalists will naturally demand. As regards the Canton-Hankow Railway, the fact that the Director-General, Mr. Tan Jen-feng, is a relative of Governor Tan's and highly thought of in republican circles, will doubtless make it easier for the Hunanese to give over the section in their province to the British engineers and Mr. Collinson. One of the engineers employed by the Hunan Railway Bureau, a member of the well-known Yen family, who was educated in the United States, is now surveying the line between Yochow and Changsha, but he is working for the Hunan Railway Bureau and not for the Canton-Hankow Line.

Politically the Kuo Min Tang appears to be the dominant party at Changsha as it has the sympathy if not the actual adherence of the principal officials there. There seems to be a tendency on the part of some of these men to view Yuan Shih-kai and Li Yuan-hung with distrust. There must, however, be some little sentiment on the other side also, as there are three Kung Ho Tang papers published there.

I enclose herewith an extract from the report of the Commissioner of Customs for 1911, giving an account of the outbreak of the revolution in Changsha and the constitution of the new government.

In Hunan as perhaps in most provinces the most unsatisfactory feature in the situation is the presence of large numbers of poorly trained and undisciplined soldiers, many of whom seem to have little or nothing to do. According to the best information I can obtain, during the revolution some 200,000 soldiers were enrolled there for service in that and other provinces, but the greater part of this force was disorganized and melted away. When the present work of disbanding was undertaken, at the end of June, there were in the province 5 divisions numbering with some other independent units, about 40,000 men, of which about 12,000 were in Changsha. It may be noted that four of these divisions are commanded by Japanese-trained officers, and that there are altogether some twenty or more such officers in the Hunan forces. Disbanding has been going on slowly but steadily ever since, and it is estimated that about 20,000 men have been disarmed and between 10,000 and 15,000 already dispersed. I am told that it is planned to retain about 10,000 men, which would leave 10,000 men now under arms, and five or ten thousand disarmed men, still to be disposed of. The men are being induced to accept their discharges by a system of bounties. The wages of ordinary privates are taels 4.90 per month. On discharge they get as a bounty an amount equal to three month's wages, i.e. taels 14.70. Besides this they are to be paid an allowance for the first six months after discharge of taels 3.00 per month, for the second six months taels 2.00 per month and for the third six months tael 1.00 per month, which will be the last payment. The first six months allowance is paid at the time of discharge, so the ordinary private will leave with taels 32.70. Soldiers with medals get an extra tael per month. Commissioned and non-commissioned officers are paid off on a similar basis.

The authorities evidently feel unable to take a firm stand with the troops; but have adopted the policy of humoring them and wheedling them into accepting their discharges. It is said that the Governor frequently goes out to remonstrate with unruly troops, and through the influence of his personal popularity, his entreaties and even tears, usually succeeds in restraining them from violence. An incident which occurred on the 24th ultimo is typical. A part of the the 5th division, numbering some 2,000 men, was about to be disbanded and had been drawn up without arms, to hear a farewell address from the Governor. These troops were prominent in the revolution and were the ones who made Tan Governor. They have since served as his body guard, but have recently been replaced by the Nan Wu Chun, an organization converted from the old gendarmerie. It appears that the Governor has been accustomed to present himself to the troops on such occasions without a guard and attended by only a few servants. This time, however, for some reason a company of fully armed soldiers was sent to guard him. The men of the 5th Division protested at this lack of confidence, and an altercation ensued between them and the guard, during which the former succeeded in wresting some rifles from the guard.

There was some fighting, but I have no authentic information as to the casualties. Afterwards the 5th Division broke into the magazine where their arms and ammunition were stored and armed themselves. For the next few days the streets were patrolled by armed detachments and at some street corners guards were placed, but there was little apparent excitement in the city. According to the officials and the newspapers the trouble has now been settled, but the latter add that the men refuse to give up the arms which they seized, until they receive all the money due them as well as their certificates of honorable discharge. As a result of this incident the authorities delayed for several days the unloading of a large shipment of arms and ammunition which they had bought from Carlowitz and Company, and which arrived in Changsha on the 24th ultimo by the steamer "Kian". Before the end of the week, however, the authorities regained confidence and the military supplies were discharged without any trouble ensuing. As the celebration of the outbreak of the revolution occurs on the 29th and 30th of September and 1st of October, there may be some uneasiness for a few days, but there is little ground to fear serious disorder. There was a small fracas at Siangtan at about the same time as that at Changsha, but it had no serious consequences.

As regards "squeeze", likin extortion, etc., the general testimony is that there has been no improvement as yet over the old regime, but that on the whole more is demanded than formerly. This has certainly been the experience of the merchants handling American kerosene. It is to be hoped that with time publicity and the increasing influence of the merchant classes will cause some improvement in these respects.

With the wealth in rice and minerals which Hunan possesses, the province should have a brilliant future if only the influential classes can be brought to see the need of a more conservative financial policy, and a more liberal attitude towards foreigners.

I have the honor to be, Sir,

Your obedient servant,

Roger S. Greene

Consul General.

Enclosure:-

Extract from the Report of the Commissioner of Customs at Changsha for 1911.

800.

Through the Legation with copy.

Copies to: Consul General at Shanghai.

Consul at Nanking.

ENCLOSURE WITH DESPATCH NO.65, OF OCTOBER 1, 1912,

FROM HANKOW, CHINA.

EXTRACT FROM CHANGSHA TRADE REPORT FOR 1911.

The year opened under the most favourable auspices for trade and the hopes entertained at the close of the previous year were justified and, in the main, realised. The total net value of trade was Hk.Tls.17,690,355, against Hk. Tls.13,090030 for 1910; and had it not been for the upheaval that occurred in the autumn the showing would have been much better. The bountiful rice harvest reaped during 1910 permitted the raising of the embargo against the export of this grain on the 4th of January, and shipments at once commenced by chartered junks to Yochow, for transhipment there to steamers. When the steamers were able to reach the port, on the 24th February, the cargo offering was so great that the tonnage at the disposal of the shipping companies could hardly cope with it, and recourse was had to towing lighters- a new departure in this port, which will be dealt with later. This part of the province was fortunately free from floods, the river remaining at a steady high level throughout the summer; the heavy rains, however, did much harm to the early rice crop. The embargo was again placed on the export of this grain from the 31st May, and was not withdrawn, though the total crop reaped, estimated as a seven-tenths one, proved better than was expected. After the outbreak of the revolution in Hankow the trade of the port was brought to a complete standstill, and but few steamers reached here. The money market became demoralised, and for some time no paper money was accepted or credit given. The import trade suffered most, and it was some months before it in any way recovered. One of the noteworthy features of the year was the high level that the river maintained during the winter, the lowest watermark being 5 feet 10 inches, on the 13th February, enabling steamers to run without interruption. Though trade was unable to take much advantage of this unprecedented condition, yet the revolutionary party received great benefit from it, in that it had no difficulty in transporting supplies and troops-- it is estimated that nearly 200,000 men from the Hunan and Kwangsi provinces passed here for the front. The most important immediate result of the revolution to the trade of the port was the diversion of several articles of export produced in West Hunan to the Changsha market, whence they were shipped by steamer. Previously these goods did not come on the general market until they reached Hankow, by native boat; the destruction of the Hankow city and the absence there of Chinese merchants led to these products, of which wood and tea oil, hides, and vegetable tallow are the most important, being brought to Changsha and to the foreign buyers establishing themselves in this port. There is no doubt that the bulk of the trade thus secured to the port will remain here, the natural centre for it, since the goods can be bought cheaper here than when procured through a middleman at Hankow. Changsha went over to the revolutionary party on the 22nd October, without any fighting and with but little bloodshed. The General of the gendarmerie (巡防隊), named Huang Chung-Hao (黃忠浩), and three officials were the only ones to lose their lives. In the early hours a body of the new army(常備軍), about 600 of which were quartered in the barracks outside the city, the remainder of the two regiments having been drafted to outlying districts, marched on the city. The gendarmerie offered no resistance, and the attacking force proceeded to the Governor's yamen. The Governor, Yu Ch'en-ko (余誠格) seeing that opposition was hopeless, made his escape, as did most of the other officials, with the exception of three, who were executed for refusing their allegiance, and of the Shan-hua-hsien (善化縣), who went over to the other party and was made Prefect of the city. By 11 a.m. the first proclamations were issued by the new Government, the first words of which contained an injunction that foreigners must be protected-- an order that has been scrupulously obeyed. It may not be out of place here to attempt to counteract the opinion that is so commonly held, that the Hunanese people are anti-foreign; though it may be held that there is a strong feeling of "Hunan for the Hunanese" and that foreign enterprise has not been welcomed in the past, and although there have been three attacks on foreign lives or property during the past 12 years (due in each case to some special cause), yet it can be said truthfully that in no part of China, or even in any country of the world, will foreigners receive more consistently courteous treatment than they do in the interior of this province. The writer can state from his experience of four and a half years residence in the province that he has never heard one rude word addressed to a foreigner. There were no disturbances in the city or province worth recording until the 31st October, when the Military Governor, Chiao Ta-feng (焦達峯), and the Assistant Military Governor, Ch'en Tso-ling (陳作霖), both Linyang (瀏陽) men, were killed by the soldiers of the 50th regiment. Various reasons are given for the assassination, the most probable being that it was discovered that Chiao had seized the Governorship for purely selfish reasons and was a menace to the peace of the province. The position of Military Governor (都督), was at once forced on T'an Yen-K'ai (譚延闓), the president of the Provincial Assembly and chief of the provisional Civil Government, a man much respected throughout the province for his scholarship and upright character. After he came to power the new Government obtained full control over the perilous situation, and, in spite of some plots to upset his rule, the province has enjoyed almost normal peace throughout the past months. It was due to the new Governor's personal influence that there were no political executions, even the property of the few Manchus in the province being respected. The Government has been that of the Governor in Council, consisting of the Presidents and Vice-Presidents of the various Boards and Bureaus and of six Advisors. The framing of laws, questions concerning finance and foreign affairs, and all important business brought before the Government departments, come within the scope of the Council. An Extraordinary Deliberative Assembly, its members elected throughout the province, was also established, its duties being to discuss matters concerning laws of justice and questions concerning the welfare of the people; but it has no power to legislate. Great efforts have been made to effect economies in the administration, many useless offices being swept away. Another good measure was the supervision of the collection of certain taxes being placed in the hands of the local gentry. Practically all the officials in the province are Hunan men. If the plans for reform can be carried out, Hunan will remain as a model to other provinces, and the future will be a bright one. The post of Superintendent of Customs is vested in the two Presidents of the Bureau of Foreign Affairs. The German engineers and other employes at the Pingsiang Colliery left at the special request of the authorities, and were later all discharged, with the exception of the chief engineer. Work continued on a small scale, but the output was insignificant and the export ceased.

Sub. Political situation at Hankow.
Recd. October 18, 1912.
Ans. Oct. 28, 1912.

L. No. 168.

AMERICAN CONSULATE GENERAL,

Hankow, China, October 14, 1912.

Subject: **Political Situation at Hankow.**

Duplicate forwarded to the Dept. by Hankow L #69 10/14.

Honorable W. J. Calhoun,
American Envoy Extraordinary
and Minister Plenipotentiary,
Peking, China.

8/00

The Secretary.

Second Secretary.

Sir:-

Referring to Mr. Jameson's despatch L. No. 160 of the 29th ultimo, I have the honor to report that all has remained quiet here since that time and there seems now no ground to apprehend any serious disturbance.

While the preparations for the celebration of the anniversary of the outbreak of the revolution were in progress there was undoubtedly some nervousness on the part of the officials, who feared that some unforeseen event might occur to embarrass them, particularly as they had undertaken to invite a large number of foreigners to the celebration, for whose safety they naturally felt a special responsibility.

Invitations to the celebration were sent to all the members of the consular body. In some cases the Consul's title was omitted, apparently by design, while in the case of others it was inserted, giving the invitation an official appearance.

The German and Russian consuls and I were desirous of attending the celebration unofficially, but I did not feel that I should do so without the consent of the Legation. Hence my telegraphic inquiry. Some of my colleagues, however, felt that we should meet to discuss the question of attending the celebration, and subsequently upon consultation we decided that we would all take the same attitude, and that we should ask instructions from the diplomatic body. Upon receipt of Sir John Jordan's telegram I circulated it among the consuls, being for the moment the senior consul present. In consequence none of the consuls attended the ceremonies, with the exception of some honorary consuls who went in their commercial capacities. A few of the vice consuls attended unofficially.

While the arrangements for the celebration were not perfectly worked out, and the guests who went in the morning were somewhat disappointed, the day passed off quietly and on the whole very successfully. Two hundred or more foreigners were present and most of those I have talked with expressed themselves as being much pleased with the celebration. Foreigners were evidently not expected at the ceremonies of doing reverence to the honored dead, but a luncheon was provided for them at noon and in the afternoon they were given an opportunity to meet General Li. Bishop L. H. Roots of the American Episcopal Mission made a speech at the luncheon in reply to the address of welcome made by Mr. Sun Fah-hsu, who was introduced as the representative of President Yuan Shih-kai and of Vice President Li Yuan-hung. Launches were provided to take the guests to Wuchang and back to Hankow. I enclose herewith a clipping from the Central China Post of the 12th instant, giving an account of the celebration.

One of General Li's advisers, Captain Wu King-yung (吳敬榮) one of the older American students of the generation of Liang Tun-yen, Tang Shao-yi, and others, called on me before the celebration to consult with me regarding the speeches at the celebration. When I told him that I should be unable to attend, and that the other consuls also would probably not be present, he appeared very much annoyed and asked why in that case we recognized the government to the extent of doing business with it. I gave him the usual answer, but did not feel myself that it was a satisfactory reply. I have learned since that many of the officials about General Li felt very irritated at the attitude of the consuls, which they attributed to German and Japanese instigation, but apparently the generally successful outcome of the celebration has lessened the seriousness of this feeling.

At the same time from the local point of view it seems most desirable that the present Chinese Government should be recognized at the earliest possible moment. Not only was the revolution itself conducted with extraordinary regard for the safety of foreigners, and with a conspicuous absence of that fighting spirit which in a European state of similarly varied elements would probably have resulted in an armed struggle for supremacy between different sections of the country, but during the past six months on the whole exemplary order has been maintained throughout the country. We are compelled by circumstances to deal with the de facto government not only on urgent matters involving the protection of American lives and property, but in regard to commercial disputes between foreigners and Chinese, and in such matters as the obtaining of commercial information. The Chinese are becoming unmistakably tired of being practically recognized on matters of business, and being ignored in all matters of official courtesy. There are surely sufficient precedents to justify the recognition of such a government as the Chinese republican government. Our own government prior to the adoption of the constitution certainly had little prestige and little power, and as regards permanency and stability some of the French governments were recognized when the country was in a far less tranquil state than in China today.

It is true that the relationship between the provinces and the central government is still somewhat vague, and the authority of the central government, which would have to be held internationally responsible for the safety of foreigners, might be questioned by the provinces if it attempted to interfere too much, but can we Americans afford to use such an agreement in defence of delayed recognition, when theoretically the same situation, quite as unsatisfactory from the point of view of international law, exists in our country and we have actually admitted to foreign countries our inability to ensure justice to foreigners through the federal organization, but have instead offered money as a solatium while the criminals went unpunished? The protection given to foreigners by the recognized imperial government was certainly not superior to that now afforded by the unrecognized republican government.

So much from the point of view of justice. But it seems to me that our interests and the furtherance of our national policy in China demand that we recognize the existing government.

For some time now the Chinese appear to have cherished the most friendly feeling towards the United States as a power which had no conflicting interests and no ulterior designs on the integrity of the country. China has been looking to us as a sister republic for an official recognition of what she has done, and while it was right that we should exercise due restraint and caution before giving her our welcome to the family of republics, now that a reasonable time has passed, when there is no sign of any party challenging the right of the republic to administer the government, we should no longer refuse our recognition. If we delay much longer all the freshness will be gone from the act, and it will be accepted not gratefully as a gift, but sullenly as a right that was too long withheld. If, on the contrary, we take the lead in bringing about recognition China will not soon forget the service. And we need China's friendship. In the future, none can say how soon, we shall have to discuss and settle with China, one of the most serious questions, perhaps the most serious, that can arise between two nations, the question of immigration, which under different names has been the great international problem since history began. If we have China's firm friendship we shall be able to discuss this question in a spirit of mutual understanding which may make possible a permanent settlement of a kind that at times now seems almost unattainable. The immigration arrangement made with Japan shows what real value the sometimes despised "sentimental" friendship between nations can have.

It is the opinion of all foreigners that I have talked with, consular officers of various nationalities, foreign officials of the Chinese customs, merchants, missionaries and others, not only that recognition is due to the republican government, but that it would be of great service both to the Chinese Government and to trade, since it would help to convince the people that now they might go on with their normal pursuits, and that there was no occasion to fear further political changes, apprehension of which is almost created by the present situation. It seems to me that such assistance, after the months of peace and quiet that have passed, we can legitimately give to China, and that we should give it in pursuance of our national policy.

It may be stated that we are bound not to take action in China at this crisis independently of the other powers. But surely if we inform our associates that we are convinced of the necessity of recognizing the republic, they will not fail to join with us, rather than see us get a conspicuous advantage by being for some time the only great power to have formal relations with China. As a result the actual recognition could be made to come simultaneously from all the powers.

The question also arises whether some of our associates have not forfeited the right to demand that we take no independent action in such a matter. Have not Russia and Great Britain by making such representations to

China as they have done regarding Mongolia and Thibet, taken independent action of a very marked kind, action which whatever may have been the motives underlying it, has seriously embarrassed and annoyed the Chinese government, besides causing the people to fear that the dismemberment of the old empire had really begun? In other words have not events proved that an agreement with those powers to refrain from independent action is resulting simply in limiting our own freedom of action to assist China, while our associates proceed, whenever their supposed interests demand it, to take independently just the very kind of action which we are desirous of preventing? It seems to me, therefore, that such an agreement can no longer be considered as binding whether from considerations of honor or of policy. Russia and Great Britain have already cancelled it.

I have the honor to be, Sir,

Your obedient servant,

Roger S. Greene

Consul General.

800.

Enclosure:-

Clipping from Central China Post of October 12, 1912.

Copies to the Department of State, the Consul General at Shanghai and the Consul at Nanking.

ENCLOSURE WITH DESPATCH L. NO. 168 OF OCTOBER 14, 1912, FROM
HANKOW, CHINA.

[illegible] POST, SATURDAY OCTOBER, 12, 1912.

[illegible] OF CHINA'S LIBERTY.

[illegible] OF THE WUCHANG FETE.

[illegible] AND FOREIGNERS DRAWN CLOSER.

THE "[illegible] THINGS" LEFT BEHIND.

Never before has Wuchang seen a gathering of foreigners approaching that which passed through its streets on Thursday. We believe between two and three hundred Westerners went to join in the celebrations of the first anniversary of the revolution. The natives, [illegible] to [illegible] an occasional isolated business agent invading the Government departments, saw instead troupe after troupe of foreigners in every manner of garb from the tile and frock to the easy flannels, and where a pair of "little sisters" might sometimes pass, there were great bevies of ladies—not only of the missionary circles but of the more gaily garbed Concessions.

It seemed as though the greater part of the Hankow community was present. The natives that lined the streets in the afternoon to watch this strange parade of the *wai gwoa ren* to and from General Li's office must needs have been impressed—not impressed with the foreigners but with the fact that the foreigners considered the occasion a notable one and that the foreigners were proud to take the opportunity of doing honour to Li Tutuh. Probably the Chinese of Wuchang never had a notion before of the regard in which their Tutuh is held by foreigners universally. They should have a notion now, and the result of the homage paid by so many foreigners to General Li should be to strengthen his authority.

It was unfortunate that the Consuls were not there. We have no doubt they would have been if they had been free to follow their own bent. But alas, General Li is the Vice-president of a nation that does not exist (according to the foreign governments), and the occasion was the celebration of the overthrow of a dynasty which the foreign Powers have not admitted to be overthrown. So of course the foreign governments could not be represented. But the crowds that did attend represented the feelings of foreign peoples, and as long as these peoples were well represented, the governments might go hang. The parade of hundreds (however motley-clad) was a far bigger thing to the Chinese mind than was ever the official visit of half a dozen Consuls to the yamen of the old Viceroys.

It was evident that the numbers that went from Hankow far exceeded the expectations of the entertainers, and the foreigners who had been given the management of the catering found themselves in difficulties. But all went smoothly, and a feature of the day's doings was the politeness with [illegible] every- [illegible] Li and the [illegible] people on [illegible] as [illegible] tire [illegible] of [illegible] guards was [illegible]

THE [illegible]."

One of [illegible] to foreign [illegible] of the [illegible] of the [illegible] Europeans [illegible] appeal for money [illegible]" that [illegible] when he went [illegible] necessary appeal. [illegible] have a hard lot in [illegible] in Wuchang the [illegible] a corps of [illegible]. They went first to the temple [illegible] their dead parents. Afterwards they came to see the foreign guests. It was easy to see that these troops of boys and girls were well cared for, and the inquirer learned that they were housed in special schools and were fed, clothed and trained for a useful life by the Hupeh Government. The wounded men likewise. They have been pensioned, and cripples among them have not been sent to the workhouse but have been decorated and housed in special homes. It was a lesson in civilisation to the Westerner.

GENERAL LI STAYS INDOORS.

Neither General Li Yuan-hung nor Civil Governor Liu was seen at any of the public festivities. It was evident from this that the unrest of the past few weeks was not considered to have passed away entirely. Another notable fact was that the soldiery took very little part in the day's doings.

However, General Li and Yuan Shih-kai both had representatives at the important functions. The Peking Assembly had an able delegate in Tang Hwa-lung, who was General Li's chief coadjutor on the civil side when the Republicans established themselves in Wuchang a year ago, and the man who addressed the foreign guests on General Li's behalf was one of the most notable men of the movement—Sun Fah-hsu, adviser to General Li, the man who wrote the proclamations of the Republicans and those models of Chinese literature, the appeals to Yuan Shih-kai and to Admiral Sah to join the Repulic.

THE FESTIVITIES.

Wuchang, like Hankow and Hanyang, was gaily decorated, with flags and bunting by day and electric illuminations by night. It was hard to go a couple of yards without meeting a rainbow flag. The holiday spirit was abroad. The shops were not closed as at New Year, but business was practically dropped by mutual consent as on other Chinese holidays. It was worthy of note that the Chinese have completely accepted the change from the old regime; for Wuchang did not observe Mid-autumn but did observe the anniversary of New China's birth. And it was good to hear the enthusiasm with which sightseers exclaimed "Chung hwa ming kuo chi-tse!" ("The flag of the Republic!") when a fireworks bomb burst high in the air and rainbow colours were seen flaunting against the sky.

CEREMONIES IN THE EMPEROR'S TEMPLE.

Our Wuchang correspondent contributes the following:

There was more than a touch of genius in the mind which conceived the idea of transforming the Imperial Temple into a Memorial of Mighty Men. For weeks the building had been in the hands of the decorators. The crimson and yellow had given place to white and grey, to which were added on Thursday the brilliant colours of the national flag.

The stone that stood aforetime at the gate of the temple enclosure commanding all but the "one man" to go on foot had been removed to the roadside, there to be a permanent witness to the passer-by of this first anniversary of the revolution. The mind that planned these transformations doubtless gave birth to the thought of revering the departed [illegible] the sacrifices and cere[illegible] were formerly paid to [illegible] alone.

The foreigners who found their way to the temple at the somewhat early hour of ten were treated with the courtesy that has been a mark of the new Republic from the day the first blow for freedom was struck. They were led over the central road, where formerly none but the "one man" might go, into the room where the tablets of departed heroes were enshrined and where the ceremonies were to be conducted. Above the shrine, where till last year the Emperor's tablet reposed, there hung three gruesome pictures, the heads of two and the bound form of the third of the three men Liu Pen and Yang whose execution was the signal for the outbreak in October, 1911. Beneath were portraits of the three, each in foreign clothes—bright intelligent-looking modern Chinese. One could have wished that the body of their humiliation had not been revealed. Still further below was the full-length portrait of the first Hunan Tutuh, Chiao, who, it will be remembered, lost his life in the first week of the revolution in Changsha, a needless sacrifice to internal dissensions.

Before these pictures and numerous tablets by which they were surrounded were arranged as sacrificial offerings a whole ram, a whole pig and various fruits and delicacies. The shrine was draped with beautiful silken scrolls. Before the sacrifices stood five men of note in the Republic, three of whom read enconiums on the heroic lives and deaths of the departed. They were the deputies of President Yuan, Vice-president Li and the National Assembly. This done, to the strains of Chopin's "Marche Funèbre (well rendered by the band that delighted many a forbigner that day), they bowed themselves three times before the shrine, and the first part of the ceremony was completed.

Fittingly at this juncture long lists of dead and wounded were affixed to the walls of the room that the names might be made known of the rank and file who by their blood had wrought deliverance for China. Then came hundreds of those who had been wounded in the fighting. To see these men pressing forward to pay their homage was to realise that a price had been paid by the living as by the dead. It is good to know that the Republic is not ungrateful to them. Next came a little procession of children dressed in black, with wreathes of evergreens about their bodies—the orphaned children of the martyrs for the cause—and then a squad of cavalrymen, companions of those who did as much as any in the first few days of revolt and who suffered so heavily during the subsequent fighting.

There was something eminently fitting about all the arrangements. Things were so simple, yet they meant so much. Nothing could have been in much better taste. As we looked at them and thought of them—the lives cut short by the executioner's sword, the veterans wounded in the fight and the little children who had lost their earthly fathers—we could only pray that the liberty bought at such a price might be counted as a sacred thing, that self-interest might perish and that with the true martyr-spirit China might march on, a foe to every form of evil and a seeker after that righteousness which alone exalteth a nation It is in this spirit that we say, "Long live the Republic!"

ENTERTAINMENT OF FOREIGNERS.

The foreign guests from Hankow arrived at Wuchang from 10 o'clock onwards, large launches having been placed at their disposal by the Wuchang Government. They were entertained in the delightful tea house at the cotton mill and later took lunch in another building at the mill. The band that was formerly known as the Viceroy's played exquisitely during the meal. At 2 o'clock the party gathered in the tea house, where speeches were made in honour of the anniversary.

GENERAL LI'S ADVISER THANKS FOREIGNERS.

Mr. Sun Fah-hsu, representing President Yuan Shih-kai and Vice-president [illegible] Yuan-hung, extended a [illegible] to the guests and thanked [illegible] for their friendliness [illegible] Republic since the revolution [illegible]. Both the President and Vice-president regretted that [illegible] peculiar circumstances they [illegible] to be present in person, [illegible] Li would have pleasure [illegible] the visitors later. The [illegible] celebration was designed first [illegible] the foreign Powers for their [illegible] of neutrality. Apart from the diplomatic body private foreigners had done much to help the Republican cause. He expressed the gratification of China's leaders at the world's approval of the establishment of the Republic.

Secondly the celebration was to do honour to the heroes that had spent their efforts for the republican cause.

Thirdly it was an occasion for all Chinese people to remember what had been done and to strive to maintain their republic spirit and to make China one of the greatest republics in the world. He was quite conscious of the inferiority of the education of the masses in China, but, if they strove, they could achieve greatness in the end. It was only after repeated attempts that France established her republic, and only after eight years' hard fighting that America gained her freedom. Yet China had won independence after a hundred days' fighting, and their good fortune should inspire them to constant vigilance. He urged that those whose lives had been spared from the military struggle should devote their lives to the establishment of the Republic. They should show the same spirt as the men who had died in the fight—forgetting their lives and their fortunes in the struggle for the nation's welfare,

The first step toward greatness was compulsory education. Then they must devote their energies to building up the nation's finances. Thirdly, they must get the best men to carry on the government. Diplomatic relations must be improved. A more concrete measure necessary for the uplifting of China was the promotion of industry. Those who had fought for the revolution would henceforth, he said, devote themselves disinterestedly to constructive measures.

The peace of the world must be promoted, and, when China had brought herself to the standard of other peoples, the age of universal brotherhood could be ushered in.

BISHOP ROOTS' CONGRATULATIONS.

Bishop L. H. Roots, of the American Church Mission said he wished to express the goodwill of the foreign community toward the Chinese Republic. The neutrality observed by the Powers during the revoltion was the outcome of the profound friendliness of foreign peoples towards China. All that the foreigners had been able to do to show their sympathy was to tend the wounded. He pointed out how the Red Cross work had brought the nations together, and he thanked the Chinese for their help to the Red Cross. On behalf of foreigners he thanked the Republican leaders for their splendid efforts to give protection to foreigners. He expressed to the Republic his congratulations on the small amount of bloodshed that had accompanied this stupendus revolution. And he expressed his assurance that this fortunate circumstance was due to the greatness of Chinese character which trusted not in military force but in the goodwill of the people. He was sure China would come to take her place on a level with other peoples. He appreciated, too, the splendid way the Chinese had treated the Manchus. It was only a year ago that the banner had been raised with the terrible legend, "Flourish the Chinese! Exterminate the Manchus!" But the national flag of today expressed the equality of Manchus and Chinese. He believed that these events were the outcome of the divine will. He said with full heart, "Long live the Chinese Republic!" (cheers). He paid a glowing tribute to General Li and wished him God speed. (cheers)

[illegible] FEMINIST.

[illegible]-cheng, sister of the [illegible]antung and a leader of [illegible] movement in China, [illegible] representative of the [illegible] million Chinese wo- [illegible] said the first word for all [illegible] the word "love." She [illegible] of country and universal [illegible] was pleased to see so many [illegible] present at the celebrations. The [illegible] of the revolution had been a fight for righteousness and she felt [illegible] why the support of foreign [illegible] been so heartily given. She thanked the foreign nations for their help in bringing about a peaceful settlement of the struggle. The oppression of the Manchus had prevented progress, but now China was free and she hoped the people would use their freedom for the good of the nation. She rejoiced in the complete confidence that the people had placed in President Yuan Shih-kai. She paid a tribute to General Li as a man known to all the world as a straightforward man and a great General. Dr. Sun Yat-sen also was working for the good of the Republic and had seen the necessity of industrial development, which was essential to the country's welfare. The people should assist these three great leaders. Miss Sun concluded by thanking the women of foreign nations for their help in educating the women of China.

THE VISIT TO GENERAL LI.

At 3 o'clock General Li and his wife began to receive the foreign guests in the foreign reception hall of his yamen. Every foreigner that came was allowed to proceed without hindrance past the guards and through lines of smart gendarmes at the "present." The Tutuh underwent a handshaking that might have tired the well-practised muscles of a Western royalty.

After the reception many of the guests returned to the cotton mill for tea and afterwards watched the exhibition of fireworks on the bund.

Desp. to Dept.
11/5/12

Sub. Chinese attitude toward Russian aggression in Mongolia

L. No. 175.

Recd. Nov. 3, 1912.
Ack.
Ans.
Ref.

AMERICAN CONSULATE GENERAL,

Hankow, China, October 31, 1912.

Ack + send dup to Dept

Subject: Chinese Attitude toward Russian Aggression in Mongolia.

The Secretary
Second Secretary.

Honorable W. J. Calhoun,
American Envoy Extraordinary
and Minister Plenipotentiary,
Peking, China.

Sir:-

I have the honor to enclose herewith translation of an article from the Min Kuo Jih Pao, which will give you some idea of the attitude of the local Chinese toward Russian aggression in Mongolia.

I have the honor to be, Sir,
Your obedient servant,

J. Paul Jameson
Vice Consul General in Charge.

Enclosure as stated.
In duplicate.

801.44

ENCLOSURE WITH DESPATCH L. NO. 175 OF OCTOBER 31, 1912,
FROM HANKOW, CHINA.

THE PROBLEM OF MONGOLIA.

Ming Kuo Jih Pao of October 24, 1912.

Since the declaration of the independence of Outer Mongolia, the far-sighted Chinese in the country regret the loss of our national soil and the danger involved therein. They advocate that this question be solved with "blood and iron." We have repeatedly pointed out to our Readers through the medium of these pages the benefits and injuries in the matter. We have also warned the authorities to the same effect several times. But fearing the power which Russia assumes for herself they delay action. Sometimes they say, "We will quietly pacify the Mongolians," and "We will employ clever diplomatic representations." Now, several months have elapsed, no project whatever has been determined upon, and moreover the affairs of Mongolia are in hopeless confusion. According to a foreign telegram, Russia has deputed a special envoy to communicate with the living Buddha and has formally recognized the independence of Mongolia. Alas! "How can a man during his short life await to see a muddy river becoming clean and clear?" I fear very much that when the peaceful methods of our authorities have been tried the large stretch of land which is more than 1,000,000 square miles at the south of the Gobi Desert, will no longer be our territory. Our powerful neighbors are looking at us like tigers, and bad and dangerous omens spring up about us everywhere. Manchuria on the east and Turkistan and Tibet on the west will probably be lost to others by this kind of policy. How can we continue to exist when we are daily yielding our national soil? The loss of the Balkans by the Empire of Turkey should be sufficient warning. As our authorities have no plan to protect our soil, the future existence of the Republic is in danger. Oh! How aggrieved it makes me feel!

Now I have a word for the authorities. Gentlemen, if you are determined not to lose Mongolia, it is imperative that the independence of Koo-lun (Urga) be cancelled somehow, thus, we can regain our national territory. To attain this aim, mere speech is useless. The only way, the only step for us to adopt is to appeal to military power, as has been repeatedly advocated by this paper. At present the situation has changed; still, military prowedd has not lost its ability to solve the problem and it is the best way out of the difficulty. The conditions of the present do not materially differ from those of the past. Do the authorities think that military power involves danger? I beg to explain to you. To send troops to conquer a distant land does not give profit to the Republic now-a-days, but were there a peaceful method or measure by which we could solve the Mongolian question, of course we would rather take the easier way, instead of the more difficult. But the stupid living Buddha cannot be convinced by peaceful advances. Moreover, aggressive Russia constantly despises our military power. Our comforters or pacifiers follow each other on the way and communications fly over the road. Not only is this all in vain but it exposes us to scorn and shame. This shows how wilful the Mongolians are. Therefore, we are obliged to appeal to the last measure, that of military prowess. For the sake of the existence of the country, we have to "weary our troops" to reconquer a distant land and to sacrifice some of our lives.

On the other hand the war in the Balkans is at its height. Russia on account of her close connections and of her interests concentrates her whole attention to that part. How can she have occasion to open fighting in the extreme Orient? Though she would hate to give up her aggressions in Mongolia she could only pursue them through cunning and crafty measures calculated to entrap the living Buddha and to frighten us into false terror, thus preventing our taking any initiative. Hence, at the proper time she might reap a most satisfactory harvest in both concessions and privileges. If so, Mongolia will finally fall into her trap. But if we only take a bold stand; we have but to announce to the world the crimes of Urga, send our troops to re-conquer it and cancel its independence. The living Buddha is both useless and effeminate. Without the material assistance of Russia and terrified by the military strength of the Republic, the Mongolians will surrender of their own accord without any bloodshed. Gentlemen, do not miss the opportunity. The time will not come again. If you do not intend to lose Mongolia without striking a blow, now is the time for you to rise, exert yourselves to the utmost, and solve this all-important problem.

35.
No. 800.

AMERICAN CONSULATE,

Chungking, China, November 1st, 1912.

Subject: Recent Political Developments and General Conditions Affecting Them.

Political developments & general conditions affecting things in Chungking district

Honorable W. J. Calhoun,
American Envoy Extraordinary
and Minister Plenipotentiary,
Peking, China.

Sub. ....
Recd. Nov. 30, 1912
Ack. Dec. 2, 1912
Ans. ....
Ref. ....
A.e. ....

Sir:-

I have the honor to state that nothing momentous has occurred in Szechuan during the past two months and that no developments in any special line have been of sufficient interest and extent to warrant separate despatches or particular treatment excepting Thibetan affairs which I reported in my despatches Nos. 31, 32 and 33, dated respectively September 9th, 10th and 20th last. Considerable of interest, however, has taken place along general lines and the present report will deal with the several items under the following heads:

800.

1. The Thibetan Expedition.
2. Situation at Chengtu.
3. Situation at Chungking.
4. Opium Cultivation.
5. Popular Subscription to "Save China."
6. Issuance of Paper and Copper Currency.
7. Relations between Peking and Szechuan.
8. Revival of Trade.
9. Missionaries Return to Interior
10. Industrial Progress.
11. French Mission Versus American Mission and Chinese Versus Both.
12. French Bridge at Hokow Completed.

1. The Thibetan Expedition.

The Thibetan Expedition has recovered the border cities of Batang, Litang and Hokow and that is all. Apparently there was very little resistance and it is lucky for the Chinese that this was so, for the troops who comprise this expedition are very reluctant to place themselves under fire and have avoided meeting the Thibetans in open conflict. Sheer force of numbers has placed the Chinese expedition where it is and the Thibetans apparently are no worse off than they were when the fighting on the border commenced. Yun Tutuh, as previously reported, has not shown any special military or even executive ability in his conduct of the expedition. He did not press forward when he could have done so to great advantage, and failed to follow up the few victories which his troops gained. As a tactician be resembles in certain respects the late General George B. McClellan who stated that his deliberate plan was to:

> "display such an overwhelming strength as will convince all our antagonists, especially those of the governing, aristocratic class, of the utter impossibility of resistance."

This same policy pursued by Yun Tutuh seems to have overawed the Thibetans but, while it may have, temporarily at least, convinced them of the impossibility of resistance, it has by no means destroyed their capacity of resistance, and that, after all, is of great importance as they may be a serious source of disturbance for many years if China's control in Thibet is not restored. Foreign interference with China's expedition is not as justifiable as certain proponents would have us believe. It may sound very well for them to say that China is trying to make Thibet a subject state and should not therefore be allowed to send her expedition across the Thibetan border as she merely has the right to exercise a sort of suzerainty over that country. Admitting China's right to only exercise suzerainty, however, it connot necessarily be said that China has not the right to send troops to uphold and maintain this limited authority, for the right to exercise authority, however limited, carries with it the right to adopt forceful means if necessary to secure it. For certain powers to limit and circumscribe the authority of China in Thibet is one thing, but to deny China the right to effectively exercise and maintain this authority is something quite different and to prevent China from using her military powers to this end is tantamount to depriving her of the authority altogether. Talk about the humanitarian motives which have prompted foreign interference with China's Thibetan interests has helped, in the way which was intended, to obscure the main issue, but the excessive solicitude which this talk would seem to indicate is, I believe, out of proportion to the sufferings of the Thibetans, and, if genuine, should have been a factor in relieving Persia and a few other helpless countries which are being despoiled. Stopping the Thibetan expedition altogether is not necessary or called for if a stipulation could be made with regard to its manner of treating the Thibetans and some understanding reached with regard to the status of Thibet in the event of China's success in penetrating that inaccessible country. And the impossibility of some such arrangement has by no means been demonstrated nor is it certain that China would maltreat the Thibetans or violate existing treaties in making her suzerainty practical instead of theoretical.

Yun Tutuh is still at Tachienlu, according to last accounts. He first explained that he would tarry there until his forces recovered the border cities, but now that this has been accomplished he ascribes his inertia to the rigors of the winter season which is now coming on and to lack of adequate

funds

[illegible]. He has established his headquarters at Tachienlu, has added a Thibetan wife to his harem, and has invited his other wives to come and meet her. It is said that he married the Thibetan "officially", but whether he did this to give the transaction an appearance of legality or to improve China-Thibetan relations by effecting a diplomatic alliance is not known. It is quite possible that neither object was accomplished, and it is certain that the moral tone of his army has not improved as a result of his doings at Tachienlu and his mode of life at Yachow previously reported. It is likely that operations along the Thibetan frontier will be suspended during the winter months and it is doubtful if the expedition evem goes beyond the borders of Thibet proper. There are still eight or ten thousand Chinese soldiers in the field, and providing for this large number will be a difficult matter. Chinese soldiers when sent to Thibet are often unprovided for and are consequently obliged to "live off the country." It is their depredations and foraging parties which have given color to the accusations of cruelty which interested parties have brought against them. While these charges are not unfounded they have been given undue weight and have served simply as a pretext for preventing China from giving effect to her suzerainty.*

2. Situation at Chengtu.

As reported in my despatch No. 33 of September 20th, the situation at Chengtu is much improved. The officials have harmonized their warring interests and the factional disputes have largely subsided. Hu, the Acting Tutuh, and commander of the troops, has strengthened his control, and conditions will very likely continue to improve under his wise administration. Yang Wei, described in my report No. 19 of July 24th, was so strongly opposed that he left Chengtu in disgust.

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* Additional notes *re* Thibet are given at the end as P.S.

August. Those, however, who had enjoyed his very efficient protection raised a great outcry and delegates were sent to call him back. He finally consented to return and resumed his position of Superintendent of Police and is now a greater constructive force than ever. Chang, who wanted to be Acting Tutuh instead of Hu, has opposed the Provincial Assembly and caused considerable dissention. It is now reported, however, that he has been called to Peking and that his removal will conduce to still greater harmony. Altogether the situation at Chengtu is very hopeful. Taxes are being collected very much the same as before and the money in hand seems to be sufficient for the present needs. This, however, is partly due to the issuance of paper money, a subject which is dealt with in section 6 below.

While the departure of the Thibetan expedition gave rise to considerable trouble at Chengtu and nearly caused a rupture between Szechuan and Yunnan, as previously reported, its absence is now desirable in the interests of peace and security. The old differences have been adjusted and Chengtu is now comparatively quiet, but if Yun Tutuh returns with his large following there is likely to be a clash, though such a result is by no means certain. It is now reported, however, that the Peking Government has given Hu still greater control over civil affairs as Acting Tutuh and that Yun is still to be the Tutuh but is specially designated to carry out China's plans respecting Thibet. This arrangement would greatly minimize the danger of friction among the higher officials of Szechuan but it is unfortunate that Yun is not a man of better character. In addition to his weaknesses already alluded to he is very much given to drink and has disgraced himself on several occasions.

3. Situation at Chungking.

The local situation is extremely satisfactory in spite of a slight disturbance which took place last month. While the incipient revolt was given considerable publicity it was really of very little consequence. General Hsiung Ke-wu (熊克武) in charge of the local troops, the 5th division, has preserved order remarkably well, but in doing so has caused some discontent because of his strict methods and arbitrary policy. He has had occasion, also, to cross an association of merchants which imported rifles and pistols for a sort of volunteer brigade which they started. General Hsiung allowed them to take the four hundred rifles but kept the one hundred pistols under his own control lest the merchants conceal them and start "tong wars" such as we read about in New York and San Francisco. The leader in the revolt was employed by Brunner, Mond & Co., a British concern. He was heavily in debt to the firm and finding himself in desperate straits decided to organize a few robber bands and those who complained of General Hsiung's autocratic rule and to seize the government and thus escape his obligation or pay it off with money which he hoped would thus fall into his hands. His followers numbered only a few hundred and their whole make-up can well be described by words from First Samuel, 22nd chapter and 2nd verse - applied once by Lincoln to a similar party in America:

> "And every one that was in distress, and every one that was in debt, and every one that was discontented, gathered themselves unto him; and he became a captain over them; and there were with him about four hundred men."

The pride which the foremost men took in this movement led to their undoing. They had a group photograph taken and since they had already aroused some suspicion they were followed and seized red-handed and the photograph served to identify several who were caught later. Five of them were promptly executed and the movement which they started seems to have perished with them.

The foreign agent of Brunner, Mond & Co. and the man with whom he lives were warned of the revolt and told to leave the city, but it was due to the personal enmity of Brunner, Mond's debtor rather than to any anti-foreign disposition on the part of the conspirators.

In my despatch No. 24 of August 2nd it was reported that the number of troops in Chungking had been reduced to 2,000. The number here at present, however, is only about eight hundred. General Hsiung tells me that his policy is to keep just enough troops in the city for actual protection and that the presence of too many soldiers makes the merchant classes apprehensive. General Hsiung is actually in command of a division but it is not complete and probably contains not more than about six thousand men. Most of these are stationed in the outlying districts where they have been sent to preserve order.

The troops which are here at present are very orderly and quiet and have shown no disposition to make trouble. As Chungking is a wealthy city and has not yet been looted it has been a great temptation throughout the recent disturbances, and alarming rumors have constantly been afloat. A great test, however, came a month or two ago when a huge conflagration took place. It started in the evening and burned throughout the night. It gave the dangerous elements an excellent opportunity to loot and kill. General Hsiung and his troops, however, were quite equal to the occasion and the latter fortunately proved that they were loyal. They guarded the houses, arrested looters and helped to prevent further destruction. The volunteers also turned out and rendered valuable service. There was very little disorder or confusion and the half dozen looters who were caught with booty in their possession were executed. The fact that no uprising took place during the great fire tanded to restore confidence, and the ignominious failure of last Month's conspiracy has done still more in this direction. Unless some of the troops from the four divisions now at Chengtu or on the Thibetan border migrate in this direction there is not likely to be any great disturbance at Chungking, according to present indications. Chungking, in other words, is likely to take care of herself if left alone.

4. Opium Cultivation.

As reported in the spring, the last crop of opium was very small and the few poppies which were grown did not affect the market to any considerable extent. Strong efforts, also, were made by the officials to suppress the cultivation which otherwise would have been much more extensive. While the officials this year are making efforts equally strenuous or more so to stop the cultivation, more poppies are actually being raised. This is chiefly due to the increasing price of opium and to associations or leagues which the opium growers have formed. The temptation to grow poppies is now so great that farmers are risking their lives in order to produce this very profitable crop. At Shih-chu Ting (石柱廳) an official who tried to prevent the growing of opium poppies was chased by a mob armed with tridents and barely escaped with his life. There is similar opposition in many other places. The situation at Fuchow (涪州) is so bad that the Hsuan Yu Shih (宣慰使), or Pacificator here (in charge of civil affairs) has gone there with troops to suppress the militant opium growers. The opium poppies are now very small and can scarcely be distinguished from certain other plants. It is impossible, therefore, to tell just yet how much opium is really being cultivated. Next month, however, when the plants are larger I shall make further report upon this rather important development. In this connection I enclose herewith a very interesting article which appeared in to-day's paper.

5.

5. Popular Subscription to "Save China".

The popular movement in Szechuan to"save China" was dealt with in despatches Nos. 15 and 22, dated respectively June 11th and July 29th. According to last accounts the local saviours of China had planned an entertainment and fair the proceeds of which would help to swell the fund which was to render China quite independent of foreign financial assistance. Even this scheme, however, has failed. Some mat sheds and unsubstantial frame buildings were erected in a large garden outside of the city and electric wires were carried out for purposes of illumination. At this point, however, it was discovered that there would not be sufficient public interest to make the scheme successful and it was accordingly abandoned. The reason given was that robbers would be attracted to such a place outside the city and that the exhibits and wares would be stolen. Upon fourteen thousand dollars, therefore, being subscribed by those who wanted the scheme abandoned it was finally given up and no further efforts to "save China" are now being made.

6. Issuance of Paper and Copper Currency.

As reported in my despatch No. 29 of August 19th last, there has been a large issuance of paper currency to meet the running expenses of the government. While the outstanding notes at that time amounted to about six million dollars, they now equal about nine million. Notwithstanding this increase, however, the market value of the notes as compared with silver has not shown a corresponding change. Silver dollars are still worth only about ten per cent more but they are comparatively scarce. While most Chinese accept thirty per cent of bills receivable in the form of paper money and the balance in silver, many Chinese and most foreigners refuse to do so, and this, of course, places silver at a premium. It has also caused an advance in the price of most commodities and an increase in wages all along the line. Transportation by river is a most important factor in the commercial life of this province. It is estimated that there are half a million boatmen carrying goods by junk between here and Ichang, and since the cost of freight has gone up thirty per cent in the last few months this may be taken as a fair index of the trend of prices in general; and this increase is principally due to the present issue of paper currency.

One reason why the paper money has not depreciated more is that people have considerable confidence in the ability and willingness of the provincial authorities to redeem it. Whether this confidence is misplaced remains to be seen. No redemption fund has yet been started although many people have urged that some preparation be made to redeem the notes next spring when they fall due. There is some talk, however, about selling spare government land which is quite sufficient for the purpose. Much of this land is occupied by squatters and it would doubtless be difficult to evict them or make them pay a fair price for what they occupy. The plan, nevertheless, has great possibilities and may work out very advantageously. The idea in selling the land is not to redeem the outstanding notes directly but to start a bank which will accept these notes for others payable on demand. It is hoped that a majority of the people will then use the demand notes instead of cashing them in, knowing that they can redeem the new notes at any time. Whether the people will actually believe that there will be money in reserve to meet all notes is doubtful. It is more likely that they will "take the cash and let the credit go," and drain the bank of all its ready silver. Szechuan flatters itself in getting on so well financially, but scarcely realizes the heavy liabilities which the paper currency involves and the possibility of future trouble which lurks behind it.

The public financiers of Chungking have hit upon another expedient for creating money. A large mint was built here some years ago with money which the people subscribed for a railway. It has never been used and has been allowed to go to rack and ruin. While the English machinery is practically useless from want of attention, the German machines are workable. A large supply of copper was therefore purchased and plans were made for coining ten and twenty cash pieces. Everything is now in readiness but there is one serious hitch in the proceedings. The officials at Chengtu heard of these plans and, claiming their superior authority, have sent a manager here to take charge of the mint and an engineer to look after the practical details. The local officials ignore these men and contend that they have the right to manage their own mint since it represents their vested interests. There is therefore a deadlock. After the Chengtu men arrived the local mint officials gave an opening banquet to which the former were not even invited. The Chengtu authorities allowed one of their mint delegates one hundred and fifty taels for travelling expenses, and the local officials say that this is only a sample of the way in which the Chengtu men will be parasites on the local community, and their presence here is strongly resented. It is impossible to say how the dispute will end, but it would not take many such incidents to bring about an estrangement between the two leading cities of the province.

7. Relations between Peking and Szechuan.

Notwithstanding the persistent rumors - emanating from down river as usual - that Szechuan has severed her relations with Peking, the province has all along placed itself subject to orders from the central government. The various high officials consider that they are commissioned by Peking and various disputes within the province have been referred to Peking for settlement. This, it must be said, is most fortunate, and it is hoped that the present relations will

continue

continue for of all the provinces Szechuan would be the most difficult to coerce. This is due to its extraordinary geographical position. If the Szechuanese should organize for defense with only indifferent skill it would take an army of at least one hundred thousand men to force its way into the province. This statement may sound extravagant but it is not the least bit exaggerated. To invade by way of the Yangtze River would be altogether out of the question. A few junks chained together would wreck any kind of a boat which might ascend; while chains put across the narrow gorges would of themselves be an effective bar. A few Chinese by simply throwing boulders from the tops of the gorges could stop almost any expedition, and their position would be unassailable. With the addition of a few firearms the damage which these men might cause can be easily imagined. Invasion through the hostile Thibetan country is, of course, not to be thought of; while invasion through the high, narrow passes of the North or South would be so difficult that a German military officer told me recently that a few Szechuanese with only clubs as weapons could keep out an indefinite number of troops. While this statement was consciously overdrawn, it illustrates the almost insuperable difficulties which an army of invasion would have to face. Paradoxical as it may sound, the passes leading to this province would be practically impassable in the face of any organized opposition. For this reason Peking should be most cautious and conciliatory in dealing with Szechuan for very little if anything could be accomplished by force.

It is said that Yun Tutuh and Hu are friendly with Yuan Shih-kai and as these two just now are in the ascendancy the relations of Szechuan with Peking should continue cordial. While the Szechuanese have always maintained a certain degree of independence they want a united China and will, I believe, meet Peking half way. The most likely source of friction will be money matters. Szechuan realizes that she is wealthy and she wants to keep the wealth in her own hands. If, therefore, outside officials are sent here in large numbers to batten on this province or if too much money is asked by the central government there will surely be trouble, for the Szechuanese will only submit to a limited amount of dictation.

8. Revival of Trade.

In order to mail this general report earlier and to obtain certain information which is still lacking for sections 8 and 10 I have decided to send the trade and industrial notes in a separate report later.

9. Missionaries Return to the Interior.

Although, in accordance with the Legation's instructions, I have strongly advised Americans not to return to Szechuan, they have come back in large numbers and in many cases have gone to their remote stations. A number came from Ichang by native craft and some were even careless enough to travel without the red-boat which the Chinese officials provide for the foreigners' protection. All of them, however, had firearms in readiness and advertised the fact by cleaning them in a conspicuous way and by shooting once or twice after the boats moored for the night. No robbers, therefore, dared to approach them, and if they had done so a shot from one of the windows of the boat would doubtless have answered every purpose.

In February there were only twelve Americans in Szechuan; to-day there are forty-seven. Most of them are in Chungking and Chengtu, but they are represented in small numbers at Tzechow, Suining, Yachow, Ningyuanfu and Suifu. They seem to have found conditions very quiet, however, and unfavorable reports have only come from Ningyuanfu where trouble is always brewing. The foreign Catholic and protestant missionaries there have always caused trouble for themselves, for each other and for the Chinese, and as a crisis has almost been reached I am devoting Section 11 to this one subject.

As a further indication of general conditions I quote as follows from the newspaper report of a Scotch missionary resident at Chungking:

> "Reports coming in from Missionaries who have just returned to their stations tell, in almost every case, of their house and effects being intact. The people seem more friendly than ever, and the outlook generally is very promising for the winter's work."

10. Industrial Progress.

The remarks under Section 8 apply equally to this.

11. French Mission Versus American Mission and Chinese Versus Both.

The district about Ningyuanfu is never peaceful. Many Chinese there oppose the missionaries and the missionaries oppose each other. The Catholic missionaries seem to resent the intrusion of the American Baptist missionaries and the latter have much to say against their Catholic neighbors. Altogether the situation is most unfortunate and is highly vexatious. The Catholics tell me that Mr. Wellwood of the American Baptist mission protects Chinese who have committed offenses against them and that he prevents the Chinese officials from meting out justice. Mr. Wellwood brings counter-accusations and so it goes. I have told both parties that they should avoid meddlesome interference with native disputes and that if the Chinese officials allow Mr. Wellwood to dictate as to what they shall do it is proper to have the ~~cases~~ appealed. I have told Mr. Wellwood, also, that he is not here to act as an attorney for Chinese who become involved in legal controversies; that in doing so he is sure to make enemies and create anti-foreign feeling. The Board of Foreign Affairs at Chengtu complained to me about Mr. Wellwood's interference in an important native case, and

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I have sent Mr. Wellwood a second warning threatening to report his misconduct to the headquarters of his society. Mr. Wellwood does not deny that he brought pressure to bear upon the officials and alleges that the man on whose behalf he intervened is an innocent Christian, and in support of this contention has sent me twenty-one pages of English and a Chinese petition consisting of almost three thousand characters. The Chinese officials declare that the man was guilty; Mr. Wellwood protests that he was innocent; but in either case I consider Mr. Wellwood's interference altogether unwarranted and most unfortunate.

To go fully into Mr. Wellwood's long arguments would be tedious as well as monotonous as he constantly reiterates the statement about Tsen's innocence and the necessity for his intervention. He says he only did "what any right minded man would do"; that he "investigated all the cases and found absolutely no evidence of Tsen's guilt" and that "when any case is presented in which a native Christian is concerned the case is prejudiced simply because the man is a Christian". For these reasons Mr. Wellwood not only tried to force the hand of the official at Ningyuanfu but protested in person to the officials at Chengtu. The Chinese officials are equally emphatic in their statements as to Tsen's guilt. They say that he "privately raised likin (taxes) on pork, kept a house for gambling, and assembled the vagabonds for fornicating and looting". They also state that investigators of both the old government and new confirmed the evil reports about Tsen and that he "hid himself in the premises of the mission, resisted the order and refused to appear in the court". They accuse Mr. Wellwood of harboring Tsen and of helping him in every way to escape arrest, and as Mr. Wellwood admits having helped other fugitives escape it is quite possible that what is said of him is true. Tsen, however, in spite of Mr. Wellwood's efforts was finally executed.

The Catholic charges against Mr. Wellwood are contained in a report consisting of thirteen typewritten pages of foolscap size. They state that Mr. Wellwood is very agreeable personally but that Protestant converts relying on his protection attack Catholics and wreck Catholic chapels. They say that Mr. Wellwood exercises such an influence over the local officials that such offenders are seldom brought to justice and that the feud between the Catholics and Protestants is becoming so serious that an armed collision may occur at any time. Mr. Wellwood points out that his church has suffered very little and that the heavy losses inflicted upon the Catholics is not so much due to the hostility of Protestant converts as to the mistakes which the Catholic church has made and the revenge which ordinary Chinese are now taking. His various statements, however, do not seem to agree. In one place he says that "there are no disputes not even ill feeling between the converts on either side and what is more and better there will be no bad feeling or disputes of any kind if I can possibly help it and I am confident I can". The same letter contains the following paragraph which casts a flood of light upon the general situation and the case of Tsen which has made the Catholics and Protestants hostile toward each other and the Chinese laymen hostile toward both:

> "On my arrival at this station I found the people and officials very much incensed against the Catholics because of their high handed actions. For some reason or another my coming stiffened the officials and they reported some of their converts to the capital with the result that they were imprisoned. I had occasion to present one case to the Consul in Chentu at that time. This is the head and front of my offending. This man Tsen is blamed because he was the chief means of getting Mr. Openshaw in here to open the station. I affirm again that this man Tsen is not guilty - that it is pure and simple a case of real religious persecution

> as far as the Catholics are concerned. He had caused no trouble to the Catholics but the old intolerant spirit of ancient Rome still reigns in some sections of the Catholic church and particularly in Ning Yuen Fu."

Mr. Wellwood in speaking of his interference on behalf of Tsen writes as follows:

> "The Prefect here who arrested Mr. Tsen suggested my communicating with the Chentu authorities. I consulted with him regarding the matter & accepted his advice. I do not think I can be considered very 'meddlesome' tho I realize that such does not belong ordinarily to my province. But it is difficult to remain inactive in the face of gross injustice. And I also consider that a Christian minister should try to see common justice done without prejudice to the community interests."

The foregoing excerpts give some idea of the part which Mr. Wellwood has played and the issues which were really at stake in the conflict which centered about Mr. Tsen. The Catholics pressed their charges against Mr. Tsen and Mr. Wellwood defended him. The poor Prefect meanwhile was between two fires and in his dilemma he knew not which way to turn. The pressure from both sides was very strong and the active interference of the missionaries concerned has no doubt turned many against them.

Mr. Wellwood reports that "there is at present quite a strong disposition on the part of the officials to oppose foreigners" and states that a Baptist chapel has been stripped of its furnishings and books. The Catholics write in a similar vein informing the French Consul General at Chengtu that the situation is critical. Many of their chapels have been sacked and serious charges in this connection have been made against Protestant converts. The general situation in the Ningyuanfu district is so complex and alarming that the French Consul General at Chengtu intends to go there very soon with a view to settling the various outstanding differences. My French colleague here, Mr. Bodard, agrees with me that both the Catholics and Protestants at Ningyuanfu have meddled far too much in ordinary civil and criminal cases and has expressed this opinion in his despatches to the Consul General at Chengtu. I told him that I issued a warning to Mr. Wellwood, and requested that the Catholic missionaries be similarly dealt with, and an agreement to this effect was made. I am hoping, therefore, that the unseemly squabbling among the missionaries at Ningyuanfu will soon be ended and that the populace there will become friendly toward the mission workers who must refrain from interference with non-religiuus matters if they ever hope to become a permanent influence for good.

12. French Bridge at Hokow Completed.

The weakness of China's control over Eastern Thibet has largely been due to the lack of proper communications and the Yalung River, which runs North and South, has always been a great obstacle. Only sampans were used for crossing and the Thibetans were able to resist Chinese invaders with more or less success. The Chinese therefore ordered a bridge from France and two French engineers have been working upon it intermittently for a year and a half. It is now finished, and to-day Yun Tutuh is attending the formal opening.

The bridge is suspended from piers on each side of the river and is quite a handsome structure, judging from photographs. It is fifteen or twenty feet wide and is apparently well made. Artillery can easily cross it and guns can be mounted so as to command the approaches. Special arrangements are made for this purpose. The bridge has been found very useful during the present campaign and the Chinese officials have expressed their satisfaction with all of the details. The material is entirely French. It came as far as Wanhsien on the Yangtze and from there was carried overland to Hokow.

The Thibetans strongly objected to the bridge being built as it would facilitate invasion by the Chinese. They also said that the necessary cutting of a certain rock would disturb the "feng-shui" influences of that region. They tried several times to kill the engineers and once they almost succeeded in doing so.

I have the honor to be, Sir,
Your obedient servant,
C. Carleton Baker,
Consul.

P. S.

During the preparation of this report I have seen the following newspaper statement:

> "now that the Yunnan troops have once got their foot in the Thibetan marches very serious complications are expected between them and the Szechuan soldiers. A repetition of last year's troubles in Szechuan cannot now be averted."

In various despatches I have dealt with the relations between the two provinces of Szechuan and Yunnan and the effect upon them which the Thibetan situation might produce. The Tutuh of Yunnan wanted to assist in the Thibetan campaign but Peking, at the request of Szechuan, told the Tutuh not to participate. Here the matter ended. It must be remembered, however, that Yunnan as well as Szechuan has a Thibetan frontier and she also has her Marches to protect. While the Szechuan and Yunnan Marches tend to merge, there is a dividing line more or less distinct and a separate jurisdiction for each. The Catholics, for instance, have a Bishop for Thibet who resides at Tachienlu. He has an assistant, however, at Atuntsu in Yunnan and if disputes arise in the latter's district they are settled at Yunnanfu. It is not out of place, therefore, to have Yunnan troops on the borders of Yunnan and Thibet. While the presence of Yunnan troops is a potential source of danger there is no certainty that any open conflict will occur. Yunnan, as reported, has for some time wanted to send troops into Szechuan, and during last winter and spring she did so. The Commander told the German Consul at Chengtu that he would take entire charge of Szechuan if conditions here became worse, but - to his disappointment - the people of Szechuan demonstrated their ability to take care of themselves. Having no further excuse, therefore, to remain here he returned to Yunnan with the silver which he and his soldiers extorted from the various towns along the Yangtze.

Three or four thousand Yunnan troops have for some time been stationed at Atuntsu. It is reported that they moved North to relieve Batang at the request of the Chinese commander there, but persons who are well informed regarding the situation on the border are inclined to doubt this. Certainly no authentic news to this effect has been received. It may be that the Yunnan troops left their headquarters at Atuntsu and helped the Szechuanese in some way to recover Siangchen, for the places are not very far apart, but it is doubtful if they got as far as Batang; and, if they did, they will not likely dispute that territory with the eight or ten thousand Szechuan troops.

That news from the Thibetan border is more or less vague and always belated is inevitable under present conditions. There are no foreigners now beyond Tachienlu and all information from Batang necessarily comes from Chinese sources. The reports therefore are conflicting and inaccurate. As it takes four weeks to go from Chungking to Tachienlu and four weeks more to go from there to Batang it is evident that news from the last-named place is generally about two months old unless it is telegraphed from Tachienlu or Chengtu which is seldom the case.

SCB.

(copy)

AMERICAN CONSULATE,
CHEFOO, CHINA.

No. 39. November 12, 1912.

Subject: Political Conditions in Shantung as Observed upon a Tour of Investigation.

The Honorable
The Secretary of State,
Washington.

Sir:

I have the honor to report that upon my recent tour over this consular district, embracing all of Shantung Province south of the Yellow River with the exception of the German leased territory of Kiao-chow, I found the country peaceful. No trouble is anticipated except from the troops stationed in the province. The Governor at Tsinanfu ( ) informed me that he is responsible for the payment from the revenues of the province of 30,000 troops of the fifth division of the Chinese Army. In addition to these troops there are in Shantung about 8,000 soldiers in the vicinity of Chefoo and 9,000 in and about Yenchoufu ( ) who are paid from Peking. The Yenchoufu troops are under the command of General Chang Hsun (   ) a commander of the Imperial forces in the late revolution. These troops are known as Chang Hsun's troops. In a personal interview with General Chang Hsun, he informed me that he has no sympathy with the Republic and intimated that so long as Yuan Shih Kai is President he would make no demonstration against it, but so soon as a southern man stepped forward to claim the Presidency he would make trouble. He appears to be out of all sympathy with the Republic or its leaders. General Chang wears a queue as do his troops. It appears to be the consensus of opinion that he has a splendid organization, far superior to that of any other commanding officer in the province. His soldiers have been guilty of but little looting and the missionaries in southern Shantung credit him with maintaining order in that section of the Province in an admirable manner. Governor Chou Tze Ch'i (   ) holds him responsible or rather depends upon him to maintain peace and order in the southern end of the Province. During my visit to that section, a misunderstanding arose between the Governor and General Chang over their respective powers and duties. The Governor, in response to a request of the progressive elements in the Yi-Hsien (   ) district, appointed a new man to the post of Magistrate in that district to replace a conservative official. The newly appointed magistrate went to Yi-Hsien to take over the seals of office, but his predecessor refused to ~~take over the seals of office but his~~ deliver them over to him and at the incumbent's request General Chang sent 300 troops to Yi-Hsien to protect him. Thus the new magistrate was unable to carry out the Governor's orders. The Governor telegraphed to General Chang demanding an explanation of his interference in the political acts of the Governor. General Chang disclaimed any desire to interfere with the Governor's prerogatives and contended that he sent the troops merely to maintain peace and order. The Governor informed me that he was highly incensed over the action of General Chang in this matter and would insist upon seating his appointee, which I am now informed he finally succeeded in doing.

A few miles distant from Yenchowfu is the estate of the descendants of Confucius comprising farming lands valued at about $1,000,000 U.S. currency. Duke Yen the so-caled 73d lineal descendant of Cnfucius lives upon this estate and its revenues support him in luxury. He is 40 years of age and has neither brothers nor sons. He is given to opium smoking, gambling and feasting and is said to have a harem of upwards of 100 women. General Chang has loaned him 30 infantry and a like number of cavalry for his protection. Although Duke Yen has cut his queue yet he professes a distinctly warm friendship for General Chang, and, like his friend, has no sympathy for the Republic. When these two exchange visits, Duke Yen puts on a false queue out of respect for General Chang. Duke Yen informed me that about 200 Germans, 100 Japanese, 80 Britishers and 20 Americans have been received by him, although his secretary informed me that the Duke complains that receiving foreigners interferes with his amusements, therefore he prefers not to see them. It is reported that General Chang is trying to have Confucianism converted into a religion and then made the sate religion of China, with Duke Yen as Pope and with a son of Chang's as his adopted heir.

Shantung Province, south of Tsinanfu, suffered but little on account of the revolution. This year that section has been blessed with splendid crops and shows signs of peace and contentment. But the northern part of the Province did not fare so well. Tsinanfu, the capital city, was looted by soldiers last June to the extent of several millions of taels and blocks of buildings were destroyed at that time. New structures are however rapidly replacing these and it will not be long e ere the entire section is rebuilt. No city in Shantung has suffered more at the hands of looting bands of soldiers than has Hwang-Hsien (   ), a city 50 miles west of Chefoo. This place was twice looted during the past year. The first time to the extent of three or four million taels and the second time to the extent of about a million taels. It is a city of about 50,000 inhabitants and for its size was the wealthiest in the Province. Laichowfu (   ) a city of about 70,000 inhabitants, about 40 miles south of Hwanghsien suffered but slightly from the revolution, so far as looting of shops was concerned. Both Laichowfu and Laiyang (   ) remained in the hands of the Imperial forces throughout the revolutkon and even today may still be regarded as under the control of Imperial sympathizers. Chang Hsu Yuan (   ) the Taotai of this district, an Imperialist, commands the 47th brigade which comprises the 93d and 94th regiments. The Governor has however gradually been replacing Chang's soldiers with regular Lu Chun(   ) troops, thus hopes to overcome the Imprial influence. It was at Laichowfu that 29 students were beheaded by the Imperial commander because they had cut their queues. On October 10 last, the anniversary of the outbreak of the revolution, demonstrations were held in all of the cities of Shantung with the exception of Laiyang, Laichowfu and those in General Chang Hsun's territory. The republican sympathizers did not dare to hold celebrations in these districts

The celebration at Wei-Hsien (   ) was particularly significant. Wei-hsien is a city of about 100,000 inhabitants, situated about half-way between Tsing-tao and Tsinanfu on the Shantung railway. It has the reputation of being one of the oldest and the most conservative city in the whole of Shantung. When the Germans built their railway from Tsing-tao to the capital city, the people of Weihsien would not permit the railway to come within a mile of the city, although it was supposed to be on the route. American and British missionaries have been trying for upwards of a quarter of a century to effect cordial relations with the people of Weihsien, but their labors seemed to have been in vain until after the outbreak of the revolution. They tell me that, although they have had their buildings (schools, hospitals, chapel etc.) for nearly a quarter of a century in the suburbs of the city, it was not until after the outbreak of the revolution that they dared go within the city's walls, so strong was the opposition against them and their work. They state that Weihsien was until less than a year ago one of the most anti-foreign cities in all of China. On October 10th last, about 1,500 natives, students and others, led by their own bands of music and carrying numerous Republican flags marched from the city out into the suburbs and paid their respects to the students and teachers of the missions' schools. The following day the mission students, 400 strong, carrying each a silk rainbow flag ad headed by their band of music returned the cal of the previous day. The missionaries at the student's request accompanied them. On the 12th, Sunday, the WeiHsien Magistrate called upon the mission, attended divine service and expressed himself as being in hearty accord with their labors.

The Governor informed me that the most important problem before him at present is the disbading of the 40,000 to 50,000troops in the Province. He contends that 10,000 troops are ample for the preservation of peace and order in the Province. Shantung has a population estimated at between 30,000,000 and 38,000,000. In order to disband the troops it is necessary to pay them the arrears of wages due in addition to giving them a substantial bonus.

As for organizing the civil administration, I was informed by the Governor that he is now experiencing much difficulty in securing capable men for the subordinate posts. The salaries of Taotai, Prefect and Magistrate are respectively $250,$200, and from $150 to $100 (U.S. currency a month and each official must pay from this amount the salary of his secretary, all other expenses being paid by the Government. Of the 300 magistrates which the Governor has appointed during the past year less than 5% have proven themselves really capable. He contends that he secures the best men from what is regarded as the most turbulent district. These men seem to exhibit more initiative and a greater sense of responsibility than those from the quiter regions. He finds the younger men superior to the older men, as the latter are too conservative and it is with great difficulty that he can get them out of the ruts into which they seem to have fallen. He says that he hopes by rewarding meritorious service, to be able within a few years to build up a corps of capable, honest young officials, but agrees that the task is indeed difficult.

Governor Chou Tze Ch'i states that with the exception of the pay of Chang Hsun's and the Chefoo troops (about 20,000 in all) the revenues of the Province are ample to meet the expenditures, with a small surplus for the central Government. No difficulties are at present being experienced in the collection of the taxes. He informed me that the land taxes and other obligations imposed before therevolution are being collected at present.

As for queue cutting, with the exception of the soldiers, the police, the officials, the students and certain of the gentry and wealthy business men, there is but little evidence of the compliance with the Governor's proclamation exhorting the people to cut their queues and denying them the rights of citizens under the Republic unless they do. I am now informed that owing to the lack of response to the Governor's orders in this matter, the central Government has ordered that the question of the cutting of the queues in its relations to exercising the franchise be dropped for the present.

In my tour over the Province, I found the natives distinctly friendly toward foreigners and things foreign. Hundreds expressed themselves to me as being particularly friendly toward Americans. It appears to be common knowledge among all classes of Chinese that America has never had designs on China's territory. The missionaries throughout the Province are unanimous in proclaiming that the natives have exhibited a far more friendly attitude toward them and their work since the revolution than before. The demands for missionary literature on the part of the literary Chinese has increased enormously since the revolution.

In passing through Tsingtao, in the German leased territory, I met a number of Chinese millionaires and ex-officials of high rank who have fled to Tsing-tao to live under German protection. Lord Li Ching Mai, son of Marquis Li Hung Chang is one of these. He expressed himself as having absolutely no sympathy for the Republic and stated that he was certain that it would not last long. Prince Yu Lang, Minister of War, under the Manchu dynasty and Emperor Kuang Hsu's representative to Amoy to welcome the American fleet is also living under German protection in Tsingtao. He confessed that the Manchu dynasty had not given the people all they were entitled to and exhibited a charitable attitude toward the Republic.

By way of summary, I may state that in my tour ever the Province, I found political conditions hopeful. The most important question confronting the Provincial Government at present seems to be that of the disposition of the troops. The masses do not seem to be concerned in the question whether the new government be republican or monarchical. They wish only peace and order so that they may not be molested in their efforts tosecure a living. The student element seem to be unanimous in their demands for a representative government. Certain of the business men and gentry also share this opinion. The majority of the business men, however, are clamoring for security of life and property, irrespective of the form of government which may be instrumental in bringing it about.

I have the honor to be, Sir,
Your obedient servant,
(Signed) Julean H. Arnold
American Consul.

800

Sub. Relations between Russia and China. Russo-Mongolian Convention.

No. 670.

Peking.

Ref. ....

November 12, 1912.

Incl. ....

See

The Honorable

The Secretary of State,

Washington.

Sir:

Referring to my number 403 of January 22, 1912, and to my number 494 of March 29, 1912, I have the honor to report further concerning the relations between China and Mongolia.

On the ninth instant the local papers, Chinese, English and French, published what purported to be translations of the text of an agreement between Russia and Outer Mongolia, said to have been signed at Urga on the third instant. I enclose a copy of the account given in the PEKING DAILY NEWS, of the ninth instant.

The alleged agreement consists of four articles substantially as follows:

(1) Russia will aid Outer Mongolia to establish its autonomy, to have its own national army and to prevent the coming of Chinese troops and Chinese colonists into Mongolian territory.

(2) Mongolia guarantees to Russian subjects and commerce all the rights and privileges stipulated in the secret protocol annexed to this convention and will not allow to any other foreigners more rights than are granted to Russians.

(3) Should Mongolia find it necessary hereafter to make a separate treaty with China or any other foreign power nothing in such treaty must conflict with the provisions of this convention or the secret protocol annexed thereto and this convention may not be modified without the consent of Russia.

(4) This convention shall be of force from the date of its signature.

Immediately after the appearance of these articles in the press, the Secretary of the Legation, Mr. Williams, called at the Foreign Office to inquire about them and was assured by Dr. Yen, the Vice Minister, that such an agreement was signed by Russia and Outer Mongolia on November third and that the contents of the agreement were correctly reported in the newspapers.

Dr. Yen added that the Chinese Foreign Office had handed the Russian Minister a note on the seventh instant declaring that China would not recognize any agreement between Russia and Outer Mongolia, that the latter was a part of China and had no right to enter into treaty relations with a foreign power and that any such agreement was without precedent in international law.

Dr. Yen called attention to the fact that Russia had not recognized the independence of Outer Mongolia, but had recognized its autonomy, and he held that at the worst Outer Mongolia was but placed in the same relation to China as that sustained by Tibet, so that there was still no complete separation of the two countries. This view is borne out by press telegrams from St. Petersburg, but is not supported by the summary of the secret protocol to this convention published here.

Mr. Williams asked Dr. Yen if he had any information that would confirm the published reports of the contents of the secret protocol. He replied that he believed these reports to be correct for the reason that in September last the Foreign Office received from Urga a statement of the demands of Russia upon the Hutukhtu which was in substantial accord with that given in the press. He said further that when these demands were made, certain Ministers of the Hutukhtu's government urged him to re-establish friendly relations with China since China demanded less than Russia. The advisers of the Hutukhtu were divided in opinion and finally the Hutukhtu said he would send for the former Treasurer (who had resigned office upon the declaration of independence by Outer Mongolia) and ask his advice.

Dr. Yen said the Foreign Office had heard nothing further of a definite character until the report of the signing of the convention which had come a few days ago.

If the account of the secret protocol given in the press is correct, as Dr. Yen was disposed to believe, then his assertion that Mongolia is left in the same relation to China as Tibet is at present, cannot be accepted , as will appear from a translation of the summary which isvsubstantially as follows:

> "The six most important of teh twenty-one articles of the secret protocol to the convention between Russia and Outer Mongolia are,
> (1) Mongolia recognizes Russia as its protecting state.
> (2) Russia shall act for Mongolia in international relations with China.
> (3) Russia agrees to aid Mongolia in organizing a national government.
> (4) Russia agrees to assist Mongolia to the extent of providing effective arms and will use its influence to induce other powers to aid Mongolia to establish its independence.
> (5) Russians shall be permitted to exploit Mongolian forests, mines, fisheries and farming lands.
> (6) Mongolian live stock shall be sold to Russians only."

This summary first appeared in the SHUN T'IEN SHIH PAO(owned by Japanese) and is to be taken at a discount. Dr. Yen's statement indicates that there is some reason for beleeving that it approximates the truth, but the Russian Legation denies its accuracy, and I am disposed to doubt the truth of the statement that Russia is seeking to establish a protectorate over Mongolia. This is contradicted by Article 3 of the convention which expressly provides for future treaty relations between Outer Mongolia and China.

One Chinese journal adds a clause in Article 2 of the convention proper, explaining that the rights guaranteed

teed to Russians are those provided for in a former treaty with China.

LE JOURNAL DE PÉKIN, a Russian organ, commenting upon the convention, asserts that the rights guaranteed are none other than those provided for in the treaty of 1881 with China and that, since China has for nearly a year ignored Russia's request for a readjustment of the relations modified by the changed condition of affairs at Urga, there was no course left for Russia but to take up the question directly with the Hutukhtu. A translation of this article is enclosed (No. 2).

On looking through the treaty of 1881, however, I fail to find any provision for such rights as are stipulated in the summary of the secret protocol - that is to say for the exploitation by Russians of the fisheries, forests, mines and agricultural lands of Mongolia and the provision for the sale of live stock to Russians only.

LE JOURNAL DE PÉKIN says in explanation:

> "Here we are in a position to affirm that the protocol in question in this second article of the convention is but a more detailed confirmation of the stipulations of the treaty of 1881, a confirmation rendered necessary by the modification which had supervened in the political situation".

LE JOURNAL DE PÉKIN does not specify there rights, however.

It may be that the summary published by the Japanese organ, the SHUN T'IEN SHIH PAO, purposely exaggeratesthe demands made by Russia but that some such demands for mining and forestry rights were made was known to the Chinese Foreign Office in September last.

The MIN SU PAO publishes other alleged articles of the secret protocol which are similar in tenor to those of the treaty of 1881 with China and are therefore likely to be found in this agreement with Mongolia. A translation of them is published by the PEKING DAILY NEWS of which I enclose a copy (No. 3). It is improbable, however, that the sixth item (marked f) can be correctly stated since Kalgan is not in Outer Mongolia but is in the Chinese province of Chihli.

Reports have been received here to the effect that a Chinese force consisting of 6000 men of all arms has left Kuchen for the reconquest of Kobdo. Dr. Yen was asked whether he knew of any such expedition. He replied that troops were being sent for that purpose, but said nothing as to their number, except that a representative in Peking from Ili had assured him that a few hundred soldiers could easily retake the place. He declared that there were but few Chinese soldiers in Kobdo when it was captured by the Mongols and that the Mongols were led by Russian officers. The Russians deny that any of their officers were engaged, but it is well-known here that Russian instructors have been aiding the Mongols to organize their forces and have trained the Mongol officers. It is quite possible, too, that some of these Mongol officers may be Buriats from Siberia and therefore Russian subjects. There is a Russian consular guard in Kobdo and it is the opinion of some Europeans in Peking that the Russians will not permit the Chinese to re-take the city.

The Chinese press is bitter in its comments upon the situation and some of the journals are quite reckless in teir attempts to stir up an anti-Russian feeling. On the other hand the Chinese authorities complain of the reports circulated by Russian journals of atrocities committed by the Chinese soldiers in the recent engagements about Taonan-fu. They have demanded the suppression of a Harbin journal. That paper has defended itself by sending to the Russian Legation a statement signed by a number of Russian officers giving details as to the cruel treatment of Mongol women and children by Chinese soldiers of which they were witnesses.

Mr. Maynard, Consul at Harbin, has reported in his No.- of November 2, 1912, the order to Russian officers to resent Chinese insults to their uniform with arms if necessary. All this indicates a growing feeling of enmity between Chinese and Russians which is not unlikely to lead to more serious trouble.

It has been noted as significant by some observers that the Urga agreement was not signed by Mr. Korostovetz until after Mr. Sassanov had visited Great Britain. That there is an understanding between Great Britain and Russiaas to their respective policies in regard to Tibet and Mongolia is more than probable, and both seem to desire no more than the establishment of autonomous buffer states on their frontiers. I believe that such an a arrangement would be decidedly advantageous to China which is not in a condition to struggle with either Great Britain or Russia over boundary questions. The

Mongolian deserts form its natural defence on the north and it would seem to be more economical for China as well as Russia to have these deserts in the possession of a weak dependent state rather than to have their frontiers march side by side for more than two thousand miles.

I have the honor to be, Sir,

Your obedient servant.

(Sgd) H. J. Carhann.

Enclosures:

1. Clipping from the PEKING DAILY NEWS of November 9th.
2. Translation from LE JOURNAL DE PÉKIN, November 10th.
3. Clipping from the PEKING DAILY NEWS, November 12th.

Soo.

A true copy of the signed original. Bee.

Enclosure No. 1 in Despatch No. 670
November 12, 1912, from
the American Legation at Peking.

PEKING DAILY NEWS
Saturday, November 9th, 1912.

THE URGA DEED.

[SPECIAL DISPATCH TO THE PEKING DAILY NEWS.]

St. Petersburg November 8.

Following the announcement in the Press here of the conclusion of a convention between Russia and the Hutukhtu in Urga, your correspondent has learned from the most reliable source that the Convention and a secret Protocol were signed on October 21. The Convention has been communicated to the different Powers in Europe and America, as well as to China and Japan.

The Chinese Legation here has received instructions from the Peking Government to lodge a formal protest with the Russian Government. In the protest it is stated that China still considers Mongolia as part and parcel of her territory; and therefore it has no right to enter into any agreement with any foreign country without her consent. The protest continues to state that China will not recognize any agreement concluded by Mongolia and any foreign power in derogation of her sovereign rights.

Your correspondent is authoritatively informed that the Convention consists of four articles, the substance of which is as follows:—

1.—The Russian Government will lend their aid to Mongolia for preserving its autonomy to the end that Mongolia will be assisted in the establishment of a national army and will not admit into its territory either Chinese soldiers or Chinese immigrants.

2.—The Mongolian Government will grant as a *quid pro quo* to Russian subjects and commerce all rights and privileges as enumerated in the secret Protocol. It is also agreed that Mongolia will not grant to the subjects of other foreign countries more rights than are enjoyed by the Russians.

3.—If the Mongolian Government consider it necessary to conclude a separate treaty with China or any foreign power, such new agreement shall not in any case impair the provisions of the present Convention or those of the secret Protocol, nor shall it modify them without the previous consent of the Russian Government.

4. The friendly relations between Russia and Mongolia shall take effect on the signature of the present Convention.

It may be interesting to note that this Convention violates in every sense the guarantee of territorial integrity of China and the principle of the open-door and equal opportunity in Mongolia. Inasmuch as the secret Protocol is not published, it is safe to infer that the "rights and privileges" secured by Russia must be so enormous as to tempt her—which is never difficult—to cancel solemn treaty obligations.

[We understand that in addition to the formal protest lodged by their diplomatic representative in St. Petersburg, the Chinese Government have also communicated with the Russian Legation here to the same effect.—Ed. P. D. N.]

DAILY NEWS November 9th, 1912.

[Specially Translated.]

OUTER MONGOLIA

Is not Mongolia the defence of Manchuria, and Manchuria, the defence of China? If Mongolia is stripped then Manchuria will be exposed to danger. Similarly, if Manchuria is seized from us, the fate of China will be doomed. We should not let distance or our lack of knowledge blind our eyes to that catastrophe.

Russia, the Root of Evil.

At first by the instigation of the Russians, the Mongolians threw off their allegiance, and everything was done in a surreptitious manner. Our sovereign rights remained intact, although they were not respected. Now, the actions of the Russians are an open defiance to our prestige. M. Korostovetz was sent to Urga on a special mission, and secret treaties have been concluded and signed. In the eyes of the Russians who are bent on territorial gains, Mongolia is looked upon as an independent nation fully capable of, and entitled to the privilege of, concluding treaties with another power. This is undoubtedly a gross violation of the law of nations. Our sovereign claims have been slighted, despised and tramped on the ground. Shall we stand such an insulting treatment from the hands of a supposedly friendly nation? Shall we bow our heads to such humiliation? Can we very well part with Mongolia?

Fault of the Late Rule.

Under the late régime the relationship between China and Mongolia was not as amicable as was desired. At the same time the Russian government has been doing everything to court the Mongolians, and to win their affection. This sharp contrast of kind and ill treatment succeeded in alienating their feeling to us and in creating an attachment between them and the Russians. The Manchu Government was quite unconscious of the nefarious design and of the diminishing loyalty of Mongolia. Or, at least, the Manchus adopted the *laisser faire* policy and did not care. The chief fault is properly chargeable to the late dynasty, and it was very much aggravated by Russian intrigues. Thus, the declaration of independence at this period of transition was really the eruption of a volcano of dissatisfaction accumulated under Absolutism, and the consummation of years of Russian scheming and conspiracy.

The People's Voice.

However, we are to-day citizens of a Republic, and the responsibilities of the country rest not only on the few Government Officials but also on every one of us. Concerning the Mongolian question, we have heard of discussions and plans to carry a military expedition into the wilds of Mongolia, thinking that the Mongolian princes, chiefs etc, may soon be brought back to reason. Likewise, reports have been published to the effect that we should not try to subjugate our Mongolian brethren by sheer force; we must use kindness and power of moral suasion to win them back to the fold, lest we should aggravate their wounded feelings. A third source of information reveals the policy of urging the Government to lodge the most emphatic protests against the Russian government for its breach of international law—an unwarranted intervention in our own affairs.

Concerted Action Necessary.

Apparently, there are three methods advocated by the people for the solution of the Mongolian problem. It seems to us that the three plans can be incorporated and put into execution at the same instant. The citizens who are versed in international law should take up the protest against the Russian Government, and give the Wai-chiao Pu their hearty support in its official actions. Those who have had special training in military affairs should organize a Mongolian expedition whose object it will be to subdue Mongolia at the point of the bayonet, if other lenient measures are fruitless. And those who are endowed with the power of eloquence and suasion should organize themselves into corps to proceed to explain and spread the principles, privileges and blessings of the Republic. Startling news are reported about Outer Mongolia every day, and let us stop arguing and testing the advisability of each of the suggestions, but apply our shoulders to the wheel and execute the three plans concertedly.

Mongolia Must Not Go.

Shansi is one of the wealthiest provinces in China, and geographically its relationship with Mongolia is most intimate. The loss of Shansi which will follow that of Mongolia, will be a terrible blow to the country. Moreover, the practice of equal opportunities is still most tenaciously adhered to by the Powers. Thus, in case we willingly or unwillingly cede Outer Mongolia to Russia, we shall at once lose our national entity as we shall be forced to a reversal of the practice. Above all, why should we give up our sovereign rights and states under any circumstances? Mongolia is ours, and we shall not acknowledge any treaty which any Power may force or induce her to conclude. We shall settle our own Mongolian question, and shall brook no unwarranted intervention.—Chung Kuo Kung Pao, Peking.

Enclosure No. 2 *in Despatch No.* 670
November 12, *191*2, *from*
the American Legation at Peking.

THE RUSSO-MONGOL AGREEMENT

(Translated from the "Journal de Pekin", of Sunday, Nov. 10.)

Our readers found here yesterday the text of the arrangement concluded at Urga on the third of November last, between the Plenipotentiary of the Russian Government and the Plenipotentiary of the Mongol Government. This act marks a new phase of the development of the of the Mongol question, and it is but the logical conseqence of the events which have succeeded each other, and especially of the attitude observed by the Chinese Government.

As we have already said in a recent article, the Russian Government had asked China to define the situation radically modified by the proclamation of the Independence of Mongolia. It patiently waited nearly a year for any response whatever, then, obtaining none, decided to send to Urga a plenipotentiary, M. Korostovetz. He was charged to study on the spot the future relations between Russia and the Mongol authorities, relations which it was necessary to define, especially as China preferred to maintain a situation equivocal and vague, preparing or projecting expeditions, in spite of the declarations made by Russia that she could not permit military operations in Outer Mongolia. The Chinese point of view could not be that of Russia. Her numerous commercial interests, the necessity of maintaining order on her frontiers, and the repeated solicitations of the Mongol people, who desired to obtain her aid for the maintenance of the new autonomous constitution, all these explain more than is necessary the insistence of Russia that China should enter into a conference on the Mongal question. If anything should astonish us it is that the Russian Government consented to wait a year before the Chinese Goverment deigned to formulate a clear response to her unceasingly renewed propositions, and that instead of sending her delegate to Urga immediately after the proclamation of Mongolian independence she should have employed all her influence to modify the growing ambition of the Government of the Hutukhtu, who saw himself already independent and projected military expeditions into Inner Mongolia.

However this excessive patience of the Russian Government did not obtain the desired result; it did not arrive at the end of the mysterious silence of the Chinese Government. The latter preferred to turn a deaf ear, preparing military expeditions which it categorically denied or feigned to ignore each time that the Russian representative at Peking drew its attention to these preparations.

Such a situation, created solely by the Chinese Government obstinately refusing to take into consideration the declarations of a foreign Power and to respond in an explicit manner, could not fail to fatally modify, up to a certain point, the Russian policy in all that concerns Mongolia. Atthe present moment we are in presence of the inevitable result of this modification. Instead of a Russo-Chinese arrangement regulating the Mongol question, a Russo-Mongol ~~arrangement~~ agreement had to intervene, an agreement provoked solely by China, we insist on repeating, as it is the opinion of all, among them the best friends of China. Without wishing to indulge in pleasant paradoxes, it will be permitted us to affirm that in this later time the Government of Peking has worked harder than any one else to bring about the accord between Russia and Mongolia.

If now we study the contents of this agreement, we must admit with all those who have followed the development of the Mongol question, that one finds there nothing in the least surprising. This agreement is but the repitition, pure and simple, of the declarations of the Russian Government, declarations which it has renewed on every occasion to the Chinese Government, without making any mystery of it. The only variation which one can discover is in the contracting parties. Instead of a Chinese-Russian convention regulating Mongol question, such as the Russian Government desired, we have under our eyes an agreement between the representative of the Russian Government and the representative of the Government of the Hutukhtu, with the view of defining exactly the regime to which is to be submitted the reciprocal commerce between Russia and Mongolia.

Inthe first article of the convention the declarations which constitute the base of Mongolian autonomy are faithfully repeated, preserving it from Chinese troops, administration and [illegible] colonization. Here is an other variation, but of the same origin as the preceding. Instead of the existing state of things being confirmed by the free decision of the Chinese Government, admitting the fact of the national and historic constitution of one of its dependencies, a decision which would have been registered in a friendly arrangement with a neighboring state, China herself has put this state directly under the obligation of entering into a direct understanding on this subject with the Government which for nearly a year has existed at Urga.

The second article affirms the commercial rights which Russian subjects and Russian commerce already possessed, by virtue of the treaty of 1881. Here we are in a position to affirm that the protocal in question in this second article of the convention is but a more detailed confirmation of the stipulations of the treaty of 1881, a confirmation rendered necessary by the modification which had supervened in the political situation.

The third article leaves the door open for further arrangements between China and Mongolia. From this point of view it should have great importance for the Chinese Government, which thanks to this article, has still the possibility of escaping from the dilemma in which a policy destitute of any appreciation of the existing conditions, and especially devoid of sincerity, has once again landed her.

Finally, the fourth article proves to us that we are not dealing with an agreement which is, to be put in force at some more or less distant date, but that the relations between the Russian and Mongolian Governments have already commenced and are in consequence an accomplished fact.

We must here touch upon a question which each one will inevitably ask himself; does the present agreement postulate the recognition by the contracting parties of the independence of Mongolia?

Certainly the terms "Sovereign of Mongolia", "Mongolian Government" rather characterize an independent state. But in the absence of the expression "Independence of Mongolia" it appears to us preferable to leave the settlement of this question to the future. As we have already said the fourth article of the Russo-Mongolian agreement leaves the door open for the arrangement between China and Mongolia. Consequently the independence of Outer Mongolia, although it is already acquired in fact, depends on China herself. If the Chinese Government obstinately ignores the changes which have occurred, and persists in attempting to carry outhher projects to reconquer Mongolia by armed force, the only possible result will certainly be the definative consolidation of Mongol independence.

Thus just as China has provoked the Russo-Mongol agreement by deliberately ignoring the Russian declarations, so the Governmekt now runs the risk of seeing arise before her a Mongolia definitely independent, if it pretends to ignore the Urga agreement and to pursue the realization of its warlike plans.

After this agreement which marks a new phase of the Mongol question, the next word belongs to China. It is on her attitude that the solution depends, just as it is herself alone who has provoked the series of events faithfully and impartially registered here.

Enclosure No. 3 in Despatch No. 670
November 12, 1912, from
the American Legation at Peking.

DAILY NEWS November 12th, 1912.

[SPECIALLY TRANSLATED.]

THE OUTER MONGOLIAN PROBLEM

The way that led to the Russo-Mongolian Convention had been paved several months ago. Recently, when M. Korostovetz reached Urga, the consummation of the Russian conspiracy was reached. Owing to the great secrecy most cautiously observed by the Russian government, all news-papers have been as if under strict censorship, and practically nothing has been reported except the diplomatic announcement that M. Korostovetz had been welcomed by the Mongolians at Urga with pomp. The secret treaty was kept behind the curtain. When Reuter's agency announced the Russian recognition of Mongolian autonomy, the Russian Legation here made a "Delphic" statement. Our representative at St. Petersburg was immediately instructed to make inquiries from the Russian government which again skilfully dodged the question. In the meantime, the secret treaty was being concluded and signed. The most reliable reports came to our Government just too late to adopt any preventive measure.

Meeting in the President's Office

It has been reported that on the 6th instant the Russian government transmitted the full text of the Russo-Mongolian Treaty to the responsible nations. The Wai-chiao Pu has made formal protests to the Russian Legation. On the afternoon of the 9th instant, a special meeting of the Cabinet was called at the President's Office. Men of great diplomatic capacity and experience, like ex-Premier Lou, Mr. Hu Wei-te, and others were also invited to take part in the discussions of the Mongolian problem. A most thorough study of the situation was made, and some definite conclusions were reached.

An Interview between Minister Liang and the Russian Representative.

On the 8th instant, the Russian representative called at the Wai-chiao Pu, and handed a copy of the full text of the secret treaty to our Minister. He remarked that concerning the Mongolian problem the Russian government was most reluctant to deal with the Mongolians direct, and that, on account of the silence and procrastination on the part of the Chinese government, such a step was necessitated. Minister Liang replied in most appropriate language that Outer Mongolia being an integral part of the Republic, it therefore is disabled to conclude a treaty with any nation, and we shall not recognise it under any circumstances. After this exchange of views, the interview ended, and the situation was not improved at all.

A Second Formal Protest.

Anent the Russo-Mongolian Convention, the Central Government has already protested once, and the Russian government has not yet replied. It was decided at the meeting in the President's Office that in case a formal reply was not forthcoming, a second protest would be dispatched. The argument is that since Outer Mongolia has been and is universally recognized as Chinese territory, and as we have not ceded the same to any other Power, the conclusion and signing of any treaty with a foreign nation is a direct infringement of our sovereign rights. We shall never recognize such treaties, nor shall we brook such high-handed actions.

Stipulations of the Secret Treaty.

We have already published the four important stipulations in the secret treaty. Now we have learned six more as follows:—

a. According to former treaties, within a hundred li at the boundaries between China and Russia the merchants of both nations can trade freely, and will not be subject to any taxation. Now in the secret treaty, it is mentioned that the Chinese merchants trading within Russian jurisdiction will be taxed by the Russian authorities at will;

b. The Russian people within Mongolian territory will have the right of exterritoriality, and will not be under Chinese rule;

c. The Russian residents in Mongolia will enjoy the full privilege of free trade, and will not be taxed by the Mongolian authorities;

d. Following the treaty stipulations, Russian Consulates will be established at appointed places;

e. In law-suits between Mongolians and Russians the duly appointed officials of both countries will act in conjunction;

f. The appointment of places wherein consulates will be established should be entirely in the hands of the Russian government. The Russian residents in Kalgan and other places in purchasing land, fur, etc. should be free in their dealings.—Min Su Pao, Peking.

Sub. Political condition - Administra. in remote districts by bandit. chiefs - Remarks on visit of Dr Sun and Huang Hsing.

Ref. ....

Ind. ....

Peking.

No. 67. November 12, 1912.

800

The Honorable

The Secretary of State,

Washington.

Sir:

I have the honor to report that as far as outward appearances go, the political situation here is one of gradual improvement. It is still far from ideal, and no great promise for the future is present, but, upon the whole, the political outlook is better than it was a few months ago.

This improvement is largely evidenced by the single fact that Yuan Shih-kai is slowly but steadily increasing his hold upon the country. This control is far from complete, both in extent and effectiveness, but that it is increasing and expanding, every one admits. It is evident that Yuan is more of an opportunist than a statesman, more of an intriguer than a leader, yet he has more native ability, more practical knowledge of his people, more experience in public affairs, more personality and consequently more influence, than any other man who has so far appeared upon the stage. By common consent all hopes for the future are largely centered in this one man. Unfortunately he is aging fast, and the fear is often expressed that he may break down, and the wonder is, what will happen if such a misfortune occurs; there is no man in sight to take his place.

In the beginning of his administration, he was much embarrassed by the heterogeneous character of his cabinet, representing as it did so many rival political elements. It was largely composed of ardent young revolutionists, who were full of enthusiasm for the new order, but they were without experience in practical politics or in the ordinary affairs of life. They finally resigned on the plea of party expediency. Their resignation left Yuan free to select his own cabinet, which he did by appointing men who are friendly to him personally and in accord with his policies. Some of them held office under the old regime, but none of them held any prominent place, and none of them evidence any pronounced ability; but mediocre as they may be, the President and his cabinet are now a unified force, in which he is the dominant figure; and this fact makes him stronger before the country.

For a long time it was evident that no complete union had been effected between the north and south. The revolutionary leaders, in the south, were dis-

distrustful

trustful of Yuan. They did not believe in the sincerity of his republican professions. They suspected him of secret sympathy with the Manchus, or of indulging in ambitions for his own advancement to the throne. Leaders like Sun Yat-sen and Huang Hsing, while not saying much, held themselves aloof from him, and refused to identify themselves with his administration or to come to Peking. But finally, after much persuasion, and doubtless with some fear for their personal safety, they did come to Peking last August and remained for some weeks. They brought with them Chen Chi-mei, one of their associates, who achieved some prominence in the revolution, and who was regarded as a disturbing political factor. They were received with special honors, and Yuan is said to have greeted them with great cordiality. They were lavishly entertained with banquets and public receptions of one kind and another. These entertainments even went so far as to include a banquet given them by the Empress Dowager, at which Prince Pu Lun, an Imperial Prince, presided as the special representative of the Empress. He made a notable speech on this occasion in which the republic was recognized and accepted as an established fact.

The visitors had frequent conferences with Yuan, in which, it is assumed, the political situation was fully discussed, a frank exchange of views was had, and mutual vows of fidelity to the republican cause were made. The result was that both Sun Yat-sen and Huang Hsing publicly expressed their confidence in

Yuan, approved his administration and pledged their support to him for re-election to the presidency. The visit of these southern leaders has had the effect of clarifying the political atmosphere. The sometimes virulent criticism, by a large section of the native press, to which Yuan was subjected, has now subsided. An era of peace between the sections, and between political clans, seems to have dawned upon the country. And, as the opposition to Yuan has disappeared, the present indications are that he will be unanimously elected president of the permanent government.

Upon the eve of Dr. Sun's departure from Peking, it was announced that the government had given him a commission to travel in Europe and America to negotiate loans for, and otherwise to promote, the ambitious railroad scheme which he has evolved. This scheme provides for the construction of some two hundred thousand li of railroad; the cost of which is estimated at six billion dollars; the time in which the same is to be constructed is fixed at ten years; and the number of men to be employed in the work is said to be two hundred thousand. No investigation has been made as to the character or topography of the country through which the proposed lines are to run; no inquiry has been made as to the feasibility of the projected routes or as to the probable cost of construction; and no consideration has been given to the probable commercial value of the venture. Dr. Sun is said to have taken a map of China and marked certain lines thereon on which he proposes to build a vast system of railroads, and with no practical knowledge of the subject, he proposes to go to Europe and America for the capital necessary, according to his estimates, to carry out the project. The proposition is interesting, if for no other reason, that it illustrates the quality of this man's mind; a man of whom so much has been heard and from whom so much has been expected.

It is reported that Sun is now engaging secretaries, both native and foreign, and technical railroad experts, to go with him on his hunt for the "golden fleece". He is to receive a very large monthly salary, and a large appropriation has been made for the salaries and expenses of both himself and his staff. Rumor says he is to be allowed thirty thousand dollars per month, but whether this amount is to include the salaries and expenses of himself and staff, is not known. The scheme commends itself to no one here as practical. But as it interests Sun Yat-sen and takes him out of the field of political activity for a time, at least, no great objection to it would be made, except that it has the appearance of a great waste of money at a time when China can least afford it.

Huang Hsing has been made a Lieutenant General in the army, a position which seems to satisfy his ambition. He left Peking in apparent good humor. And Chen Chi-mei is said to be provided for by sending him on a mission to Europe and America to study industrial conditions. He told me that he expected to be gone about four years. No doubt he is to be pro-

provided

vided with the necessary money to enable him to conduct his investigations. The whole business suggests a politic way of getting both Sun and Chen out of the country. As before stated, there can be no objection to it except the expense at this particular time. These gentlemen will doubtless have to wait for the negotiation of a foreign loan wherewith to provide them with funds to make their trip.

It may be said that the improvement I have noticed is largely superficial. That no constructive work of any great importance has been done and none is under way. That the fundamental question as to the relation of the central government to the provinces remains undetermined. That there is much truth in this criticism, I must admit. The President and his party are evidently in favor of a strong central government, one which will have the power to appoint provincial governors and to control all military and fiscal measures. But there is a strong party in favor of a decentralized government, of provincial autonomy, whereby the provinces may select their own governors and manage their own local affairs. This important question will probably not be settled until the permanent constitution is adopted.

The President, so far, has only appointed three or four provincial governors. The other governors or tutus are the product of the revolution. Some of them assumed their authority with the support of military forces under their control. Others were ostensibly elected by alleged provincial assemblies or councils;

the latter, in turn, being a hasty assemblage of revolutionary leaders, largely self-appointed, in whose election the people had no voice. These governors are independent satraps. They go their several ways, supported by military forces which the control, without much reference to the central government. They summarily cut off queues, and sometimes cut off both heads and queues, and collect and use the revenues produced in their respective jurisdictions, including the salt taxes.

In some instances, they are independent military chiefs, who have armies behind them, and who rule or govern the section of the country in which they operate, without reference to the provincial authorities. Dr. Tenney, the American Consul at Nanking, reports a notable case of this kind in the person of General Hsu Pao-shan, who is popularly called "Tiger Hsu", and, before the revolution, was known as the King of the salt smugglers. He operates in the northern part of the province of Kiangsu, the province in which Shanghai is located. He has an army of some twenty thousand men, who are loyal to him personally. He collects, and retains for his own use, the salt revenues and other taxes paid in the district in which he operates. He is said to have deposited in Shanghai, something like a million taels, which represents his personal profits. He rules that section of the country, and preserves order to a degree that satisfies the common people, and they consider themselves fortunate in being under the rule of the "Tiger".

He smokes opium, flouts the provincial authorities, but patronizes the missionaries. A copy of Dr. Tenney's despatch is forwarded in this mail.

Chang Hsun is another of these independent generals. He operates in the province of Shantung, and has a force of some ten thousand men. His army is a fragment of the old Imperial army, with which Chang undertook to defend Nanking. When he was driven out of that city, he crossed over the Yangtze River, and retreated to the north along the line of the Tientsin-Pukow Railway, to his present location. He assumes to be both civil and military governor in his district and ignores the governor of the province in which he is located. This governor is Chou Tze-chi, and one of the few provincial officials so far appointed by Yuan. There are similar cases in other provinces, especially in Shansi and in other remote districts, about which we are not well informed. Certain brigand chiefs are operating in given sections, and a great deal of brigandage is going on throughout the whole country.

Admitting the foregoing facts, and their significance, yet I think the overshadowing fact remains that the country has settled down to the new order of things. The people, so far as they know anything about it, have accepted the republic as an established fact. For a time, I was afraid that there would be a great struggle for control, between the north and south, at the coming election, and that all kinds of trouble would ensue. But now that the opposition to Yuan has so large-

largely

ly disappeared, he may be regarded as the accepted leader, for the time, at least. The crops this year have been uniformly good, except, perhaps, in a few districts subjected to unusual floods. This fact helps the situation very much; it brings not only comfort but confidence to the people; confidence, because the good crops show that Heaven was not so much displeased, after all, by the removal of the Emperor, and therefore, they may accept the new order with the assurance that it is all right from a religous as well as a political standpoint.

The diffcult, the delicate and the dangerous problem with which the President is confronted, is how to get rid of these independent tutus or provincial governors, and also the military chiefs who defy all civil authority. Only one or the other of two ways is possible for the solution of this problem. The President must fight these men with armed force, and thereby, in all probability, bring on a civil war, or he must buy them off with money. He doubtless thinks the latter course is the easiest and the cheapest. Herein is to be found one of the reasons why the authorities, in Peking, have persisted in the assertion that they have one million men under arms for the disbandment of which they want so much money. They persist in the assertion that they have one million men to pay and disband. They so persist despite the fact they must know that the foreigners have reliable information that they do not now have, and never did have, to exceed four hundred thousand men.

And this discrepancy between their assertion and the fact, is one reason why they so bitterly oppose any foreign check or supervision over the disbandment of troops. They do not want to have the discrepancy discovered, or the amount of surplus money for disbandment known, or the apllication made of the same. It is generally believed that the surplus money is to be used to buy off these semi-independent tutus and military chiefs in order to peacefully secure a more unified government. If it is true that these revolutionary leaders must be bought off in order to effect a reorganization of the government, then it is a sad commentary on their much vaunted patriotism, nevertheless it is probably a necessary or the most expedient thing to do. It must be remembered that public interest and private interest have been so closely associated together in the Chinese mind for so long a time, that the propriety of receiving or using money for the purposes specified is not regarded as anything unusual.

It is not meant that it shall be implied that there is no legitimate or other need for money aside from the specific purpose above named. The disbandment of the troops is the most prominent need, but the arrearages of the indemnity and other liabilities, and the supply of the actual expenses of the government in many legitimate ways, require the borrowing of money to bridge the country over until the disrupted revenues resume their normal returns. Without considerable money, the new government cannot, get on its feet, so to speak. The query in every one's mind is how long the present condition of affairs will last; it cannot, in the very nature of things, last indefinitely. If Yuan is not supported, he will fail, anarchy will result, and armed foreign intervention, with all its complications and unforseen consequences will surely follow.

I have the honor to be, Sir,

Your obedient servant,

(Sgd) W. J. Calhoun.

800.

A true copy of the signed original.

THE ARRANGEMENTS FOR THE FIRST REPUBLICAN ELECTION IN KIANGSU PROVINCE.

The Chinese Provisional Government has issued voluminous regulations to control the coming first regular Republican elections, of which the following is a condensed summary:

The Republican Congress is to consist of two chambers, a Senate, Ts'an I Yüan(叅議院) and a House of Representatives, Chung I Yüan(衆議院). Members of the Senate are to be elected by the Provincial Legislatures, Sheng I Hui(省議會) after the American plan. Each of the twenty-two organized provinces will send 10 senators; Mongolia, 27; Tibet, 10; Ch'inghai, 3; the National Educational Association, 8; and the Chinese living abroad, 6; making a total of 274. Senators will be elected for a term of six years. The House of Representatives is to consist of members elected by the people. They are apportioned on the basis of one to 800,000 of the estimated population. For the First Congress they are apportioned as follows:

Chihli, 46; Fengtien, 16; Kirin, 10; Heilungkiang, 10;
Kiangsu, 40; Anhui, 27; Kiangsi, 35; Chekiang, 38;
Fukien, 24; Hupeh, 26; Hunan, 27; Shantung, 33; Honan, 32;
Shansi, 28; Shensi, 21; Kansu, 14; Sinkiang, 10;
Szechuan, 35; Kwangtung, 30; Kwangsi, 19; Yünnan, 22;
Kweichow, 13; Mongolia, 27; Tibet, 10; Ch'inghai, 3.
Total, 606.

Members of the House of Representatives will be elected for a term of three years. The qualificationsnof electors are the same throughout the country for the provincial and national elections.

Those disfranchised and disqualified from standing as candidates are the following:

(a)

(a) Those who have been deprived of civil rights.

(b) Those who are in adjudication of bankruptcy.

(c) Insane persons.

(d) Those absolutely illiterate.

(e) Opium takers.

(f) Those in the military, naval, or police services.

(g) Office holders.

(h) Priests and ministers of any religion.

Any one of the following qualifications will entitle a man to be enrolled as a voter, if he has resided two years in the voting district:

(a) The payment of direct taxes amounting to $2 per annum.

(b) The possession of $500 worth of immoveable property.

(c) Graduation from an elementary school.

(d) Possessing an education equivalent to that given in an elementary school.

In none of the elections are the people to vote directly for the candidates to either the provincial legislature or the National House of Representatives but the American principle of the Presidential Electoral College has been adopted for all elections. In the primary elections the people vote for electors. These electors afterward meet and vote for the legislators. A description of the working out of the scheme in the one province of Kiangsu will make sufficiently clear the other features of the general scheme.

The Military Governor of Kiangsu is the ex-officio supervisor of elections in his province. All notifications regarding the elections are issued by him. He has divided Kiangsu into four Electoral Districts, Fu Hsüan Ch'u(覆選區) as follows:

First Electoral District: The Hsiens included in what were formerly the Kiangning and Yangchow Prefectures.(Under the Republican Government, the political division of prefecture no longer exists.)

Second Electoral District. The Hsiens included in what were formerly the Soochow, Sungkiang, and T'aiTsang Prefectures.

Third Electoral District: The Hsiens included in the former prefectures of Chinkiang and Changchow.

Fourth Electoral District: The Hsiens included in the former prefectures of Hsüchow, Hwaian, and Haichow.

The Military Governor has appointed the mayor, Min-cheng-chang(民政長) of the most important hsien of each of these Electoral Districts as the District Supervisor of Elections. In each of the above four electoral districts each hsien constitutes a primary electoral district, and the mayor of each hsien is ex-officio the supervisor of elections in his own territory. By order of the Military Governor, the new census has been taken of Kiangsu Province which has resulted in a total of 32, 159, 019. On the basis of the returns from each hsien, the Military Governor has apportioned the number of congressmen which each electoral district is to send to the National House of Representatives and the number of members of the provincial legislature to which it is entitled.

The total number of members in the Kiangsu Provincial

Assembly is to be 160, and the Fisrt District will send 34, the Second, 37, the Third, 51, and the Fourth, 38.

The number of representatives to the National Congress to which Kiangsu is entitled is 40. The First Electoral District will choose 8, the Second, 9, the Third, 13, and the Fourth, 10. The supervisor of each primary election district(Hsien) has made up his list of qualified voters and reported it to the Military Governor. The total for Kiangsu Province is 1,939,368. As the total population is about 32,000,000, if we take the sexes as about equally divided and estimate the number of adult males to minors as in the same proportion as shown in America in the census of 1910, we have about one adult male in five registered as a qualified voter. It should be noted that the age limit specified in the regulations for voters, viz: 21, means according to Chinese methods of reckoning age, 20 or even 19.

Low as the standards for qualification are(as given above) the proportion of one adult in five seems surprisingly large to one who knows the illiteracy and poverty of the mass of the population. One explanation is that, with the approval of the Military Governor, the local authorities have been allowed to include in the roll of voters people especially recommended for excellence, even though they fail to come up to the legal requirements.

The meaning of the first qualification regarding the payment of a direct tax of $2 or more has been explained to the people as meaning property tax, tax on grain, fuel, fishery products, salt gabelle, house-tax, taxes on soy manufacturing, distilling, and license fees in general, but not including customs and likin dues. Each qualified voter receives a ticket entitling him to vote at the coming election. The supervisor of each primary election district has specified the polling places and appointed deputies to control them and take charge of the ballots when cast.

The sixth of December has been announced as the date for the primary election of provincial assemblymen and the tenth of December for the primary elections of members of the National Congress. It has been stated above that the number of assemblymen allotted to the first, second, third, and fourth electoral districts is 34, 37, 51, and 38, respectively. Each of these numbers is multiplied by twenty to get the numbers composing the electoral college in each electoral district, so giving 680 for the First District, 740 for the Second, 1020 for the Third, and 760 for the Fourth. These are divided among the different Hsiens, or primary election districts of each electoral district proportionately according to the number of qualified voters registered in each Hsien. For example, in the First Electoral District, in which Nanking is situated, Kiangning Hsien which includes Nanking City has 31,018 registered voters

and will elect						52
Chüyung	Hsien	having	13,332	voters,	elects	22
Li Shui	Hsien	"	4,836	"	"	8
Kaoshun	"	"	5,780	"	"	10
Kiangpu	"	"	10,490	"	"	17
Luho	"	"	42,352	"	"	71
Kiangtu	"	"	105,938	"	"	177
Icheng	"	"	10,091	"	"	17
Tungt'ai	"	"	66,512	"	"	111
Hsinghua	"	"	40,157	"	"	67
T'ai	"	"	37,699	"	"	63
Paoying	"	"	14,356	"	"	24
Kaoyu	"	"	24,146	"	"	41
						680

In the primary elections one voter will vote for one candidate only. The rule which fixes the number of votes necessary to an election is the following: Divide the number of voters in any Hsien by the number of members to be returned by it and divide the result by three. This gives the number of votes required to elect. Thus in Kiangning Hsien a candidate must receive 198 votes to be elected. In Chüyung Hsien he must have 202 votes. In Li Shui Hsien he must have 201 votes, etc.

The question naturally arises as to how the voters are to be guided in choosing the names of those for whom they vote in the absence of organized parties and party nominating conventions. The regulations provide for nothing in the shape of nominations. Those who wish to serve are already canvassing among the registered voters to secure their support. It is evident that there may be a failure to secure the required number of members of the electoral college at one polling by this method. The regulations provide for supplementary elections in that case until the number is complete.

On the sixth of January, 1913--just one month after the date of the primary election--the final election for provincial assemblymen will be held at the head Hsien of the electoral district. At this final election, each of the electors chosen in the primary election will vote for one name only. The total number of electors is divided by the number of assemblymen to which the district is entitled and this quotient is divided by two to get the number of votes necessary to

a

a choice. For example: The First electoral district of Kiangsu will return 680 electors and is entitled to 68 assemblymen. Therefore 10 votes are necessary for the election of an assemblyman from the First District. In this final election the electors are supposed to vote for some one of the 680 electors, but they are allowed to go outside if they choose. There is nothing to prevent every voter voting for himself if he wishes to do so.

In Kiangsu Province, December 10th is fixed as the date for the primary election of members of the National House of Representatives and January 10, 1913 for the final election. The method is the same as that just described. Kiangsu is entitled to 40 members of the House of Representatives. Therefore, in the primary elections 800 electors will be chosen from the four electoral districts and these 800 will vote in the final election by Electoral Districts.

The people are manifesting little interest in the coming election and inquiry shows that very few have any understanding of the complicated system which has been adopted. The registered voters will go to the polling places because they are ordered to do so by the local authorities. The candidates for election who are now canvassing for support are the poorer sort of local gentry. There is a disposition on the part of the substantial and respected men of the community to keep out of politics.

It is unnecessary to point out how little of real popular representation there is in the electoral system now about to be tried for the first time, nor to point out the excellent opportunity which the system affords for corruption and for the absolute control of results by those in authority.

Nanking, China,
November 15, 1912.

Respectfully submitted,

Charles D. Tenney,
American Consul.

Sub. Conditions between Russia and China. Russo-Mongolian Convention.

Ref. Peking.

No. 679 Dat. November 19, 1912.

800.

The Honorable

The Secretary of State,

Washington.

Sir:

Continuing my number 670 of November 12th, I have the honor to report that on the 8th of November, the Russian Minister called at the Foreign Office and demanded that China should recognize the Russo-Mongolian Convention and agree to its stipulations. This demand was the subject of discussion at a Cabinet meeting held on the 12th. The Minister for Foreign Affairs advocated dignified protest against the action of Russia and a positive refusal to discuss with that government matters which concerned China's internal administration. This advice was not acceptable to other ministers who were disposed to negotiate a compromise, which, they believed, might lead to the cancellation of the Convention. The Minister for Foreign Affairs thereupon promptly resigned as reported in my number 676, of yesterday.

The publication of these events created great indignation throughout the country. The three principal political parties held a conference and decided to oppose any policy that would tolerate the loss of Mongolian territory. Telegrams were sent to all the provinces to arouse the people. On the 13th the Cabinet with the exception of the Minister for Foreign Affairs attended a secret session of the Advisory Council (or provisional parliament) in a body and conferred upon the situation, but arrived at no decision.

The same evening a large number of the members of the Council attended a meeting of the National Commercial Conference, which had been convened a few days before.

This meeting was a very enthusiastic one and adopted seven resolutions, as follows:

1) The Russian memorandum must be answered by a decided refusal to recognize the Russo-Mongolian Convention and this reply must be worded in such a way as clearly to show that China will not tolerate either Mongolian independence or autonomy.

2) The Hutukhtu is a religious teacher and has no political authority, and any treaty made with him is null and void.

3) The Convention was made not with the Mongol

Princes nor with the representatives of the tribes, but with the Hutukhtu, who has been guilty of a conspiracy against the Republic.

4) Such a conspiracy can not be tolerated and the Hutukhtu should be arrested and punished.

5) The foreign powers should be notified of these resolutions and informed that China considers the Russo-Mongolian Convention, as null and void.

6) A military expedition should be sent to Urga to arrest the Hutukhtu and to restore Mongolia to China.

7) Should Russia interfere, she shall be informed that the affair is one which concerns China's internal administration and that she has no right to be consulted in regard to it. Should she persist in meddling, then war must be prosecuted to the bitter end.

The conference further resolved to urge the chambers of commerce throughout the country to raise funds for the support of the military expedition.

Yesterday's PEI CHING JIH PAO reports that at a later meeting it was resolved that the chambers of commerce represented should subscribe to $20,000,000 worth of government bonds, and urge the Government to appeal to arms.

Since my number 670 was written numerous telegrams have been received by the central government from all parts of the country, advocating war. Among the prominent officials who take this attitude, are the Vice President, Li Yuan-hung, the Governor of

Kiangsu, Ch'en Te-ch'üan, Huang Hsing, late Generalissimo at Nanking, Wang T'ien-tsung, recently a bandit chief in Honan, but now Inspector of Forces in Peking, and the Governors of Anhui and Shansi.

The Province of Kuangtung is reported to be willing to raise and equip a whole army.

This outbreak of martial fervor evoked by the agitation of political leaders in Peking, may do much to solidify the country and thus to some extent prove to be a benefit to the Republic. It is believed by many here, that the Government does not intend to be forced into war, but is glad to have the support of the country in opposing Russia's action and is hoping that this demonstration may aid in persuading Russia to cancel the convention.

Chinese troops, however, are being moved in comparatively small numbers toward the Mongolian frontier and plans are believed to have been approved by the military advisers of the President for the concentration of forces at various important points, such as Lanchow, Kansuh, in Chahar, at Kalgan, et cetera.

The report mentioned in my number 670 of a military expedition from Kuch'en in Turkestan toward Kobdo, has been confirmed by a telegram of the 12th instant, said to have been received by the Russian Legation from a Russian merchant in Uliassut'ai, who states that two detachments left Kuch'en, one bound for Kobdo and the other for Uliassut'ai. This merchant states that great alarm has been created in Uliassut'ai and that many Chinese merchants are leaving for Russian territory.

It is not believed here that these detachments can make the journey, either to Kobdo or Uliassut'ai in the winter, but the attempt to do so may serve the purpose of the Government.

In this connection, I should report that letters received by the Consulate-General at Hankow, from American missionaries in Kansuh, reported as late as September 30th, that great unrest existed in that province, and that there was good reason to fear a Mohammedan rising. Since that date news has been received by correspondents in Peking, of a rising of Mohammedans in Urumtsi, in Chinese Turkestan, and another in Sop'ing Prefecture of Shansi. News arrived here yesterday of an attempted outbreak in T'ai-yuan, the capital of Shansi, but details are lacking.

Were a military expedition to be sent into Mongolia there would undoubtedly be an attempt made to enlist the assistance of the Manchu and Mohammedan reactionaries in behalf of the Hutukhtu.

The lack of funds, however, would seem to make war impossible, but the patriotic feeling now being aroused may enable the Central Government to secure contributions from the provinces, which can be used for other, if not better, purposes.

It is worthy of note that at the conference between the cabinet and council held on the 13th instant, one member of the latter asked as to the possibility of securing Japanese assistance in case of a war with Russia.

To this the Premier replied that the Russo-Japanese understanding would make such assistance impossible.

A Chino-Japanese Society has been formed, however, for the cultivation of good relations between the two peoples.

In my number 670, I called attention to the report published by the Japanese organ here of certain articles alleged to be contained in the secret protocol to the Russo-Mongolian Convention. A later edition of the same journal states that the secret protocol also declares that the territory of Mongolia extends to the Great Wall and that the privileges accorded Russians in the convention, are to be enjoyed throughout the whole extent of this territory.

It is admitted by the Chinese authorities that the Convention uses the term "Mongolia", which of course may include Inner as well as Outer Mongolia.

One important item of the protocol not reported in my number 670, is a provision for the immediate construction of a railway from Kiakhta to Urga. This statement is confirmed by the Russians.

A Chinese telegram from Harbin on the 13th instant, reported the despatch from that city of 750 Russian troops, that day, with three guns and a battery of quick-firing guns, for Urga.

A Reuter telegram yesterday states that St. Petersburg, reports a Cossack force being sent to Urga, but fails to mention its strength.

I am disposed to believe that despite the warlike feeling being shown throughout the country, more peaceful counsels will prevail.

Notwithstanding the change in the form of the Chinese Government, there appears to be but little change in the methods employed by it for the settlement of its difficulties with foreign powers, that is to say, its policy still is one of procrastination, bluster, negotiation and compromise.

I have the honor to be, Sir,

Your obedient servant,

(Sgd.) W. J. Calhoun.

SCG.

A true copy of the signed original.

No. 214.

AMERICAN CONSULATE GENERAL,

MUKDEN, CHINA.

November 30, 1912.

SUBJECT: Political Conditions in this Province - Russo-Mongolian Convention.

The Honorable
The Secretary of State,
WASHINGTON.

Sir:-

I have the honor to report that the conclusion of the Russo-Mongolian Convention has probably stirred the people of this province - all classes alike - more than any other event since the abdication of the Emperor. The civil officials, the military officers, the provincial assembly, and the democratic party (國民黨) have held special meetings to discuss this matter. At the outset it was the general opinion of these bodies that war was the only recourse, but during the past few days a settlement by more peaceful means is being counseled by some of the higher officials. The tone of the local press has been chauvinistic and has insistently called for the punishment of Kulun[+] as the only means of upholding the dignity of China. The people speak

disparagingly

[+] i.e. Urga.

disparagingly of the Russian soldier and regard him as no match for a Chinese trooper. The growing disturbance in the Jehol district in northern Chihli is now engrossing a great deal of attention and is causing much activity among the military.

On the 20th instant I reported to the Legation that Governor Chang Hsi Luan of this province had received a telegram from Provisional President Yuan in the following general effect: "that as the Russo-Mongolian Convention is a matter of grave concern to Manchuria, he is directed to increase the military strength at strategic points along the Mongolian border and take general precautionary measures, but in no case should troops be dispatched into Outer Mongolia as such a step might impair the general situation." And also that Governor Chang had telegraphed the President in the effect "that as Outer Mongolia has now declared its autonomy at the instigation of the Russians, if a military expedition is not sent against Kulun forthwith the revolt may be difficult to suppress: that as the troops are eager to fight now is the opportune time to send them to the front: and that he hopes that this matter will not be regarded lightly to the prejudice of the territorial integrity of the Three Eastern Provinces."

The disposition of the Chinese troops of this province for the defence of the frontier is said to be as follows: Nine battalions of the vanguard (Hsien Feng Tui) to be stationed at various points along the

Chinese Government Railways between Shan Hai Kuan and Mukden; General Feng Ling Ko (馮麟閣) with the 28th division to make Chang Wu Hsien (彰武縣) his base - it is reported that General Feng has 2 regiments of the 20th division with him; Colonel Wu Hsing Ch'uan (吳興權), who is in command of the constabulary in T'ao Nan-fu, to make Li Ch'uan Hsien (醴泉縣) his base; and General Chang Tso Lin, who is in command of the 27th division, to remain at Mukden.

Other movements of troops are reported to be as follows: Troops of the 28th division which have been stationed at Liao Yang (遼陽), Hai Ch'eng (海城), Pen Hsi Hu (本溪湖) and Hsiu Yen Chou (岫岩州) have been ordered to proceed to headquarters, and constabulary of the right territorial district, which is under the command of General Ma Lung T'an (馬龍潭), have received orders to replace them; five battalions of the rear territorial district, constabulary, stationed at Chin Chou (錦州), Ning Yüan (寧遠), I Chou (義州), Kuang Ning (廣寧) and Sui Chung (綏中) have been ordered to join the forces of Colonel Wu in the prefecture of T'ao-Nan; one battalion of infantry of the Mixed Brigade now stationed at T'ao-Nan has received orders to return to headquarters (Mukden), and a battalion of artillery of the same brigade stationed there has been added to the command of Colonel Wu; one company of infantry of the 20th division at Liao Yuan Chou (遼源州) has been ordered to headquarters (Hsin) Min Fu), and the remaining company of artillery has been placed under the orders of Colonel Wu.

In view of the present state of affairs in Mongolia Governor Chang has created a special bureau for the conduct of all military matters pertaining to Mongolia, which is called Bureau for Defense (籌防處).
Similar bureaus have been established by the Governors of Kirin and Heilungchiang. General Chang Tso Lin has been appointed Director of the bureau in this province.

It is reported that Governor Chang received a telegram a few days ago from the ten banners composing the Cherim League (哲里木盟) requesting that additional troops be sent into Inner Mongolia in order to prevent any unforseen trouble. Troops have been sent into the T'ao-Nan prefecture in compliance with this request, as noted above. A report has just recently been received here that Princes Pin T'u (賓圖王) and Na (那王) have gone to Kulun which is considered to augur well for further complications. It may be of interest to note that at the Ch'ang-ch'un Conference held about a month ago Prince Pin T'u was represented by a delegate.
Governor Chang has requested the Central Government to send the Duke of the Ghorlos tribe, who is now visiting Peking, back to Mongolia. The Duke is said to be friendly with the republican government.

The Governors of the Three Eastern Provinces have addressed a joint note to the Central Government requesting the sum of five million taels for each province as funds for the defence of the frontier and to carry out pacification measures in the prefecture of T'ao-nan.
The Provincial Assembly have been discussing ways and means of raising funds for military purposes. They have

held several meetings but have arrived at no feasible scheme.

Governor Ch'en Chao Ch'ang (陳昭常) of Kirin has informed Governor Chang that there are many Mongols throughout Manchuria who are examining into the condition of the troops. The Governor has heeded the warning and has instructed the local officials to keep a sharp lookout for such persons. The Chamber of Commerce has been ordered to notify the shopkeepers and innkeepers not to lodge any suspicious looking persons.

In view of the disturbed conditions in parts of Mongolia, Governor Chang has issued a proclamation in the effect that severe punishment will be meted out to those who originate false rumors for the purpose of gain.

At a recent consultation of Governor Chang with the Commissioners and Tao-t'ais he is reported to have advocated peaceful measures in dealing with the Kulun affair. I am informed that His Excellency in replying to Provisional President Yuan's request as to a plan of action in this matter has expressed himself in the following general effect:

> "1. Mongolia being part of the Chinese dominion any treaty concluded by her with any foreign Power without the endorsement of China shall be null and void.
>
> 2. To sound the opinions of the Powers by distributing the English version of the Russo-Mongolian Treaty.
>
> 3. To submit the matter to arbitration at the Hague.
>
> 4. To reason Russia into abrogating the invalid Russo-Mongolian Treaty."

I

I have the honor to be, Sir,

Your obedient servant,

Myrl S. Myers

Vice Consul General in Charge.

File No. 800.

M/Fa.

A true copy of the signed original. M.S.M

Enclosure with despatch No. 258 dated Mukden, China, December 6, 1912.

No. 216.

AMERICAN CONSULATE GENERAL,

MUKDEN, CHINA.

December 6, 1912.

SUBJECT: Mongolian Affairs - Ch'ang-Ch'un Conference.

The Honorable
The Secretary of State,
Washington, D. C.

Sir:-

With reference to Mr. Fisher's despatch No. 212 of October 29th, last, (File No. 820) under the subject "Political Conditions" in which attention was called to the Ch'ang-Ch'un conference and a translation of a report on the disturbances in the prefecture of T'ao-nan was enclosed, I have the honor to enclose herewith copy of several documents, with translation, relative to said conference which were unofficially handed me by the local Foreign Office. (Enclosures 1-3).

I have the honor to report that this conference was the idea of Duke Ch'i (齊 公), Captain-General of the Cherim League (哲里木盟), who has appreciated that the salvation of Mongolia lies in cooperating with China and from the time of the promulgation of the Imperial Edict he has used his influence with the League to bring the various Princes and Nobles in harmony with the new Government. With the exception of the disaffection of Ex-Prince Wu T'ai (烏泰), a chief of a Banner, his younger brother Lo Hsing A (羅興阿), and La Hsi Min Chu (拉喜敏珠), an Imperial Duke of the First Degree, there have been no cases of active opposition to the republican government in this League.

The conference was to have been held on October 10th, but due to the tardy arrival of some of the delegates it finally took place on October 28th, and according to the colorless report of Sun Pai Hu (孫百斛), Commissioner for the Interior, Mukden, the representative of this provincial government at the Conference, between the hours of 2 to 4 p. m. The Conference, which was held at the Tao-t'ai's yamen, was opened by a speech of the Governor of Kirin, outlining the fundamental object of the conference, which may be briefly stated as the promotion of more friendly relations between the Mongolian nobility and the Republican Government and the dispelling of suspicions and fears with respect to the intentions of the said government regarding them. (Enclosure No. 1 outlines the object of the Conference and also expresses the attitude of the Central Government.) Following this opening address Prince A (阿王) and Duke Ch'i (齊公) spoke. These two gentlemen dwelt upon the extended privileges and liberal treatment granted to the Mongolians and called attention to the unprecedented treatment afforded the Imperial House of the Ch'ings by the new Government; their speeches were brought to a close with exhortations to all those present to cooperate and to exert themselves towards the establishment of the Republican Government on a firmer basis, whereby manifold benefit and blessings would redound on their people. Governor Ch'en of Kirin then made an address in which he called attention to the importance of cooperation amongst the five races which have established the Republic. He recalled the prominent part that Mongolia played in history during the 13th and 14th centuries and predicted that by the development of agriculture, industries and commerce her future in the industrial and financial world would be as bright as her military achievements had been in the past. He attributed to her lack of development along these lines the conditions of poverty and ignorance which exist today. The delegates from Feng-t'ien and Heilungchiang Provinces made short speeches; during the course of the speech of the former the interdependence of the Cherim League and Manchuria was likened to that of the lips and teeth. With the reading of parts 3 and 4 of enclosure No. 1, the conference was ended. Delegate Sun of this province reports that before part 4 had been entirely read through, the new Government was loudly cheered, "Long life to the Republican Government".

During the time the Princes, Nobles and various delegates of the Banners remained at Ch'ang-ch'un, they were frequently banqueted and entertained in a manner suited to their tastes. Governor Ch'en has officially reported that the expenses in connection with the conference amounted to 150,000 tiaos, or about U. S. gold $30,00, which have been borne by the Chinese Government.

The present Military Governor, Chang Hsi Luan, who arrived at Mukden on the 27th of October, last, as Pacification Commissioner of Inner Mongolia did not go up to Ch'ang-ch'un until about October 30th, which was late for the conference. This would seem to be conclusive evidence of what was already obvious that His Excellency's appointment as Pacification Commissioner was made to screen the real reason for his coming to Manchuria.

It is reported that the outcome of the conference is considered in official circles as entirely satisfactory. Although there has been but one instance of active opposition to the Republican Government among the Banners of this League, nevertheless a lack of enthusiasism and even of interest had been noticable among some of the Princes and Nobles. Doubts and suspicions which had arisen in the minds of some as to the bona fide intention of the new Government were dispelled and as indicated above the delegates received with acclamation the exhortation to exert themselves in the establishment of the Republican Government. The lavish entertainment they received at the hands of the Chinese has been an influencing factor.

Attention is called to enclosure No. 3 which gives the names of all those who attended the Conference.

I have the honor to be, Sir,

Your obedient servant,

Myrl S. Myers

Vice Consul General in Charge.

Enclosures:

No. 1 - A general outline of the program of the Conference.

No. 2 - Terms of treatment of the Mongols.

No. 3 - List of the persons who attended the Conference.

Through the Legation.

File No. 800.

M/Fa.

A true copy of
the signed original. M.Y.F.

Enclosure No. 1 with despatch No. 216 dated Mukden, China, December 6, 1912.

AN OUTLINE OF THE TOPICS TO BE DISCUSSED AT THE CONFERENCE WITH THE MONGOLIAN PRINCES AND DUKES.

I

The causes which led to the Conference.

The people of the Republic of China are Chinese, Manchus, Mongolians, Mohammedans, and Tibetans and the union of these five races form the State. The different distinctions between the races have all been obliterated.

Mongolia is an integral part of the Republic and is indeed a background or screen for China proper. Now a strong neighbor is watching events as if waiting for an opportunity; this indeed is a period full of difficulties for our mutual protection. It is a pity that Kulun in Outer Mongolia does not fully comprehend the two words "all united". They have been imposed upon and have without thinking proclaimed their independence, thus throwing away the blessings of equality in order to establish an unprotected state. From without there is a strong neighbor which harasses them and from within there is a brother who smiles at them. Such stupidity has never been seen before.

As the relations between the Cherim League and the Three Eastern Provinces are very intimate, all you Princes and Dukes fully appreciate the general situation and were the first of the Mongolians to join the new Government, and among our brothers there were none who were not pleased. But Prince Wu T'ai and others not knowing in which direction to go, eventually collected many men with which to create a disturbance and poison the minds of the people. Since the Three Eastern Provinces are responsible for the preservation of peace in that territory it was unavoidable that troops were sent into the disturbed district in order to save the people from danger. After Wu T'ai had fled, the President pardoned the people who had been compelled to assist him on the condition that they return to their allegiance; thus they would be permitted to enjoy their property again. But these good people who have assisted the Republic it is well known that they have the President's respect and love. Now since this disturbance has already been settled, measures must at once be taken to guarantee the peace, and these measures must bring about common desires to all within and without the Great Wall. It is well known that the Princes and Dukes of the Cherim League are fully acquainted with present conditions and sincerely love their country. Now they have assembled here at Ch'ang-ch'un with high officials and various delegates from the Three Provinces for the cementing of friendly relations and the exchange of views in order that previous doubts or fears may be dispelled and future happiness assured; thus indeed the union of the five races will become a splendid institution.

II

Explanations of the object of a republican form of Government.

A republican form of government is different from a despotic one. In a despotic government the power lies in the hands of the sovereign alone. For instance under the former regime all matters affecting the Mongolian Banners were under the control of the Mongolian Superintendency; whether such were of interest, of injury, of benefit, or of harm the Banners had not the power to take action for themselves, therefofe the superiors and inferiors drew far apart until the present condition of poverty and weakness has been reached. Now we have changed to a republic, the source of the government of which rests in the legislative body, and the members of this body are elected by the people. Therefore, in the conduct of the affairs of government, public opinion must be regarded and coercive measures can not be used. The Cherim League will send members to the national parliament according to the number decided upon, which is four. If, in the future, the various banners of the Cherim League have any matters of interest or of danger to them, their representatives in the parliament may bring such matters before this body for discussion and action, after which the Government will be requested to carry it into execution; and the Government in its relations with said league will not be lacking in this respect. Thus Mongolian conditions may be known to the high officials and its affairs will be easy to regulate. This, then, is the essential idea of a republic.

III

The terms of special treatment to be prumulgated.

a.

a. To proclaim the terms of treatment of the Mongols. (See enclosure No. 2).

b. To proclaim the bestowal upon Duke Ch'i of a higher rank of nobility and the purpose to promote such of the officers of his banner as he may select.

c. To proclaim the advancement by one grade of all the Mongolian Chieftains, Princes, Dukes, etc., who have served the Republic and sincerely assisted in the establishment of the republican form of Government.

d. To proclaim the advancement in rank of all the "hubil'han" in the various banners throughout Inner and Outer Mongolia.

e. To proclaim the increase in rank of all the Lama "Living Buddhas", and the addition of characters to the names of the temples and the donation of complimentary tablets.

f. To proclaim the exemption of all lamas from the payment of all manner of fees; if there are those who practice extortion upon them, it is permitted that they may bring action in court and if the charge is found to be true, severe punishment will be meted out.

IV

Results hoped for from the Conference with the Princes and Dukes.

We have great expectations as to the results which may follow this conference with the Princes and Dukes. It is impossible to make known to every household of the Banners the essential rights under a republican form of government and the personal privileges accruing to each person thereunder. Now a powerful neighbor is watching us like a tiger and indeed it is the crucial point between life and death, and if the greatest care is not exercised a sad end will be the result. Now our brothers of Outer Mongolia are in deep water and as a rescuing measure exhortation must first be made use of.

Since all you Princes and Dukes know about the excellent administration of public affairs by a republican form of government, it is to be hoped that you will show the right way to others and use your utmost strength to bring about a union and to cause our brothers of Outer Mongolia to enjoy the blessings of this form of government, so that these blessings may not only redound to the benefit of Inner and Outer Mongolia but also to our State. It is our earnest hope that you will attach due importance to your relations with the State and aid it with all your strength.

No. 239

File No. 820

FDF/M.

AMERICAN CONSULATE GENERAL,

Mukden, China.

Sub. uprising of Mongols at T'ao Nan Fu
Rec'd Aug 29, 1912.
Ack
Ans.
Ref.
A...

August 26, 1912.

SUBJECT: Uprising of Mongols at T'ao Nan Fu.

The Secretary.
Second Secretary
Ack. & file

820

Honorable W. J. Calhoun,
American Envoy Extraordinary
and Minister Plenipotentiary,
Peking.

Sir:

With reference to my cipher telegram MEBSI of the 21st instant relative to the uprising of the Mongols at T'ao Nan Fu, I have the honor to report that on the 22nd instant the Military Governor of Fengtien officially contradicted the report that T'ao Nan Fu had been captured by the Mongols. This contradiction is not given credence ✓ here, and it is known that much alarm is felt here among Chinese official circles with regard to the situation in that region. Thirteen hundred troops of the Hsün Fang-tui were despatched from Liao Yuan Chou (遼源州) to T'ao Nan Fu on the 22nd instant, they taking 400 cases of ammunition and four machine guns with 100 cases of cartridges for same. More troops are to be despatched from

Mukden in a day or two. Fighting is still going on in the vicinity of T'ao Nan Fu and the Chinese here assert that the Mongols are being assisted by Russians.

I have the honor to be, Sir,
Your obedient servant,

Fred D Fisher

Consul General.

Copy to Department.

Sub. Looting of Chaoyang by troops under command of General Wu

Recd. Sept. 6, 1912

Ack. Sept. 7, 1912

Ans.

Ref.

A .s.

AMERICAN CONSULATE,
SWATOW, CHINA.

No. 76.

August 26th, 1912.

Ack as read with interest

The Secsetary.

Honorable W. J. Calhoun,
American Minister,
Peking.

Sir:

I have the honor to report a serious case of looting at Chaoyang in this district by the troops under the Command of General Wu. It appears that the particular detachment concerned, numbering about seventy men and a portion of the 46th Battalion of the Kuangtung Infantry, had been stationed at Chaoyang for some weeks under general instructions from General Wu to arrest gamblers, members of the Triad Society and other malefactors. Acting nominally under these general instructions a squad of these troops under the immediate orders of a hephew of General Wu proceeded on the 19th instant to the home of a wealthy Chinese by the name of Wei, whose grandson it is alleged is the treasurer of the Chaoyang branch of the Triads. On a pretext of searching for this young man the troops entered Wei's residence and cleared it of everything of value, even tearing the ear-rings from the ears of the women of the household. The loot secured is variously estimated at from $35,000 to $60,000. This case was so flagrant that the Chaoyang people generally and some of the influential Swatow Chinese brought it directly to Wu's attention by petitions.

840

petitions. General Wu at once recalled the detachment serving in Chaoyang and brought them down to Swatow on the evening of the 23rd instant by the passenger launch, under escort. At the jetty the launch was met by a strong guard, and after the passengers had disembarked, the Chaoyang detachment was disarmed, fortunately offering no resistance. On the way from the jetty to Wu's cantonments, one of the guilty officers attempted to escape, but was shot down almost in front of the Custom House. On the 24th instant, presumably as a result of courts martial, two officers and fourteen men were executed, it being generally understood that these were those in whose possession booty had been found. The remainder of the detachment, numbering about fifty, was paid off and shipped to Hongkong, each man receiving his ticket and $5 besides his pay due. It is reported that the bulk of the property stolen has been recovered and returned to the rightful owners. Wu's nephew, the officer commanding the squad which actually did the looting, escaped in Chaoyang, and has not yet been apprehended, despite an offer of $500 for his arrest made by General Wu. Naturally there are some doubts as to the genuineness of the latter's desire for the arrest of his nephew.

This case is unfortunately not exceptional, except as to the value of the property stolen. Complaints from Chinese residents in Swatow and the neighboring cities where Wu's troops have been quartered are very general. It is stated that these troops, many of whom are ex-members of the Triad and other lawless societies, make a regular practice of going about in small bands of about half a dozen, not in uniform but armed, to levy blackmail and squeeze on the inhabitants.

About a fortnight ago the foreign residents of Kakchieh, across the harbor from Swatow proper, had an instance of this sort of thing, when several of Wu's men, not in uniform and fortunately armed only with swords, entered a shop almost directly behind this Consulate, on the pretext that opium was being retailed there, and attempted to loot it. The villagers, however, banded together and captured the would be looters after a sharp struggle in which one or two of the villagers were wounded, one, a gig man in the employ of the port doctor, quite seriously. Had these men been carrying rifles, as is frequently their practice, there would have been considerable danger to the foreign residents. This attack took place at night; the culprits were taken to the acting British Consul, Mr. Toller, who sent them to Swatow in charge of one of his gig men to be handed over to Wu. As the escort was not sufficiently strong all the men but one escaped. In view of the fact that Kakchieh is purely a foreign residential suburb, that all the property there is foreign owned, and that practically all the Chinese residents are in foreign employ, both Mr. Toller and myself addressed General Wu on the subject, requesting that strict orders be issued prohibiting his men from visiting Kakchieh except under a responsible officer acting by orders.

It is an unfortunate fact that these troops who are employed nominally in securing the peace of the country-side, are under very little control, and are themselves often concerned in breaking the peace. It is to be hoped that the severe and speedy punishment meted out to the Chaoyang looters may have a deterrent effect on their brothers in arms.

A copy of this despatch is being forwarded to the Department of State.

I have the honor to be, Sir,

Your obedient servant,

C L L Williams

Consul.

File No.820

Sub. Acknowledgment

Ref. ....

Ind. Sept. 9, 1912

Peking,

C. No.--.

September 7, 1912.

C. L. L. Williams, Esquire,
American Consul,
Swatow, China.

820.

Sir:

I have to acknowledge the receipt of your despatch number 75, of August 26, 1912, reporting in regard to looting in your district on the part of local troops, which has been read with great interest.

I am, Sir,

Your obedient servant,

For Mr. Calhoun:

Secretary of Legation.

Duplicate to Dept.
Oct. 17/12.

Sub. Military situation at Nanking.
Recd. Oct. 16, 1912.
Ack. Oct. 17, 1912.
Ans.
Ref.
Acs.

No. 37.

AMERICAN CONSULAR SERVICE,
NANKING, CHINA.

October, 11, 1912.

Subject: The Military Situation at Nanking.

Honorable W. J. Calhoun,
American Minister,
Peking, China.

The Secretary.
Second Secretary.

820

Sir:

Since my return to Nanking I have made careful inquiries as to the number and attitude of the soldiers here. It has been gratifying to note among the people a general feeling of security. There are still under arms at Nanking about 23,000 soldiers of the 8th 7th and 3rd Divisions. Of these about 20,000 are quartered inside the city walls at various places and the remainder are in camps outside. In addition to these, some 2,250 men belonging to the Nanking garrison are now on duty at Hsü Chow Fu where they have been sent to operate against the brigands.

Funds from the new loan to the amount of $720,000 are said to have been transferred to Nanking and the soldiers have all been paid up to the end of September. General Hsü Pao-shan still has his 2nd Division troops at Yang Chou and he is still retaining the revenues of his district which ought to be turned over to the civil authorities.

According to a report of the Military Governor to

President Yuan, which has just been published, the operations of the Government troops against the brigands in the Hsü Chou Fu region have been brought to a successful conclusion.

A telegram from the Commander of the 9th Division to Governor Ch'eng, published locally, is to the same effect. Private information through foreign sources leads me to believe that the official reports of successes achieved have been greatly exaggerated. The region affected is what is known as the Shih Pa T'uan in P'ei Hsien near the borders of the four provinces of Kiangsu, Shantung, Honan, and Anhui. Brigandage has been chronic there for many years. The present situation differs from that of past years only in the fact that many disbanded soldiers or deserters have now joined the local brigands and they have brought with them arms and ammunition.

It is certain that there has been serious fighting in the Shih Pa T'uan region, for two batches of wounded soldiers have been sent down to Nanking to be placed in the hospitals here.

Huang Hsing has passed through Nanking, stopping here for one day. In a conversation which I had with him he expressed himself hopefully of the ultimate conversion of General Chang Hsün to the republican cause, and said that he thought that he would soon consent to cutting off his queue as a sign of his allegiance to the Republic, though he had not done as yet. Foreigners from southern Shantung speak highly of the discipline which Chang Hsun now maintains over his troops.

I have the honor to be, Sir,

Your obedient servant,

Charles D. Tenney,

American Consul.

820.

Sub. Acknowledgement

Ref. ....

Encl. ....

Peking.

October 17, 1912.

C. No. --.

820

Charles D. Tenney, Esquire,
American Consul,
Nanking, China.

Sir:

I have to acknowledge the receipt of your despatch number 37, October 11, 1912, regarding the military situation at Nanking. Your despatch has been read with interest.

I am, Sir,
Your obedient servant,
For Mr. Calhoun:

(Sgd.) E. T. Williams

Secretary of Legation.

820.

Sub. Organization of Hupei Army –

No. 170.

Recd. October 26, 1912.
Ack. Oct. 29, 1912.
Ans.
Ref.
Ans.

AMERICAN CONSULATE GENERAL,
Hankow, China, October 23, 1912.

Subject: Organization of Hupei Army.

Honorable W. J. Calhoun,
American Envoy Extraordinary
and Minister Plenipotentiary,
Peking, China.

The Secretary.
Second Secretary.

820

Sir:-

I have the honor to enclose herewith recently compiled statistics showing the number of troops composing the Republican army of Hupei Province.

It is to be noted that the disbanding of certain troops which took place during the late Spring and Summer has not meant the dispersement of three divisions as formerly reported, but simply a reduction in the number of men in some of the divisions. The eight divisions are still retained, the decrease being shown only in the numbers of men which vary from 2,342 to 7,162 for a division. The monthly pay of the Hupei army is reported as $824,480.16 Mexican.

I have the honor to be, Sir,
Your obedient servant,

J. Paul Jameson.
Vice Consul General in Charge.

Enclosure as stated.
In duplicate.
822.

ORGANIZATION OF HUPEI ARMY.

Denomination.	Chinese Characters.	Number of Officers.	Number of Coolies.	Number of Soldiers.
1st Corps. Commandant's Office,	(第一軍司令部)	100	645	----
1st Division,	(第一師)	515	1,148	4,107
2nd "	(第二師)	480	1,340	3,685
3rd "	(第三師)	666	1,226	3,316
4th "	(第四師)	588	1,218	3,654
5th "	(第五師)	554	949	2,242
6th "	(第六師)	818	788	3,007
7th "	(第七師)	595	2,477	7,162
8th "	(第八師)	388	1,425	2,378
17th Brigade of Infantry,	(步隊第十七旅)	298	526	1,852
Artillery Brigade,	(砲隊旅)	617	1,620	2,499
Cavalry "	(馬隊旅)	111	359	1,044
Engineers Regiment,	(工兵團)	51	123	240
Transport "	(輜重團)	61	437	264
Recruiting "	(教導團)	441	405	1,201
Constabulary	(憲兵處)	125	233	480
Office Guards,	(近衛憲兵處)	21	23	130
Band Company,	(軍樂連)	8	10	88
Body Guard of the General,	(護軍)	11	25	181
Body Guard of Commissioner of Military Affairs,	(軍務司衛隊)	65	234	1,050
Total		6,513	15,211	38,580

Copy to Dept.
10/16/12.

Military affairs in Hunan.
Oct. 12, 1912.

No. 164.

Ack
Ans.
Ref.

AMERICAN CONSULATE-GENERAL,
Hankow, China, October 8, 1912.

Subject: **Military Affairs in Hunan.**

The Secretary.

Second Secretary.

822

Honorable W. J. Calhoun,
American Envoy Extraordinary
and Minister Plenipotentiary,
Peking, China.

Sir:-

I have the honor to submit the following memorandum on the military forces in Hunan Province, based on information given me by the British Consul at Changsha, and partly confirmed by information from other sources:

During the revolution it is believed that some 200,000 men were enrolled by the republican government in the province of Hunan, but most of these gradually dispersed, and when the formal disbanding of really organized units began in June of this year, it is said that there were about 40,000 troops in the province, distributed among the following organizations:

5 divisions of from 5 to 6,000 men each,	30,000
2 brigades of over 2,000 men each,	5,000
The remains of the gendarmerie, 11 companies of from 200 to 300 men each,	3,000

The

The so-called Nan wu Chun, converted from the old gendarmerie,	1,000
Miscellaneous guards, etc,	100
Military Police of the Commissioner of Foreign Affairs for the protection of foreigners,	200
Total	39,300

I was informed by an official of the Japanese Consulate that four of five division commanders were trained in Japan, and there are said to be altogether some twenty such officers in the Hunan army.

Of the total 40,000 men or thereabouts in the provincial army, 12,000 were in and around Changsha, and the rest were scattered throughout the province.

Of the five divisions it is proposed to disband entirely the 1st, 3rd and 4th divisions, and part of the 5th, or altogether between 20,000 and 24,000 men. Reports varied as to the actual number of men to be finally retained, some putting the number at 10,000.

Disbanding has been going on slowly but steadily throughout the summer, with occasional petty disorders and periods of nervousness on the part of the officials, but on the whole quietly enough. The number of troops about the city has decreased very markedly, many temples and schools that were formerly crowded with them now being vacant. It is estimated that about 20,000 men have been disarmed, and between 10,000 and 15,000 already dispersed.

The men are being induced to accept their discharges by a system of bounties. The wages of ordinary privates are taels 4.90 per month. On discharge they get as a bounty an amount equal to three month's wages, i.e. taels 14.70.

Besides this they are to be paid an allowance for the first six months after discharge of taels 3.00 per month, for the second six months taels 2.00 per month and for the third six months tael 1.00 per month, which will be the last payment. The first six months allowance is paid at the time of discharge, so the ordinary private will leave with taels 32.70. Soldiers with medals get an extra tael per month. Commissioned and non-commissioned officers are paid off on a similar basis.

It will be noted that this despatch simply gives in a little more detail the information contained in my report of October 1, 1912, No. 65, on the general situation at Changsha.

I have the honor to be, Sir,

Your obedient servant,

Roger S. Greene

Consul General.

In triplicate.

(One copy for the Military Attache.)

822.

Copy for the Legation at Peking.

Sub. Russian military force in North Manchuria
Recd. Oct. 16, 1917.
Ack.
Ans.
Ref.
A.s.

AMERICAN CONSULATE,

Harbin, China, October 11, 1917.

SUBJECT: **RUSSIAN MILITARY FORCE IN NORTH MANCHURIA.**

Original to Dept. ✓
Copy to Mil. Attaché ✓

822

THE HONORABLE
THE SECRETARY OF STATE,
WASHINGTON.

Second Secretary.

SIR:

I have the honor to herewith enclose a report showing the Strength, Distribution and Principal Officers of the Russian Military Force in North Manchuria, with a list of Railway Stations and Distances from Harbin in Versts and Miles. North Manchuria is divided into three military districts, with Harbin as the centre, the first district being along the western line of the Chinese Eastern Railway to the frontier of the Trans-Baikal Province of Eastern Siberia, the second district from Harbin south along the Chinese Eastern Railway to Kuanchengtzu, and the third district being along the eastern line of the Chinese Eastern Railway to the frontier of the Maritime Province of Eastern Siberia.

This report was prepared in compliance with the request of Major Albert J. Bowley, Military Attaché to the American Legation, Peking, and a copy is being forwarded to him.

I have the honor to be,

Sir,

Your obedient servant,

Lester Maynard

AMERICAN CONSUL.

Enclosure:

1. Report, Russian Military Force in North Manchuria.

Copy to the Legation at Peking.

" " " Consulate General at Mukden.

" " " Major A. J. Bowley, Military Attaché, American Legation, Peking.

A true copy of the signed original. A.P.B.

ENCLOSURE NO. 1a, WITH DESPATCH DATED OCTOBER 11,1912.

THE STRENGTH, DISTRIBUTION AND PRINCIPAL OFFICERS
of
THE MANCHURIAN FORCE
ZAAMURSKY DISTRICT OF THE SEPARATE CORPS OF FRONTIER GUARDS
(Zaamursky Okrug Otdelnavo Korpoosa Pogranitchnoy Strazzi.)

HEADQUARTERS OF CORPS AT HARBIN

Lieutenant General E. I. Martinoff, Commander of Corp.

Major General H. L. Sisitzky, Assistant Commander.

Major General N. G. Voledchenko, Chief of Staff.

1ST DIVISION

(Western Line, Chinese Eastern Railway)

Headquarters at Buhetu.

Major General N. M. Pereversoff, Commander of Division.

1st Infantry Regiment, Headquarters at Station Buhetu.
2nd " " " " " Jalantun.
3rd Cavalry " " " " Hailar.
4th " " " " " Fuliardi.

Strength of 1st Division.

1st and 2nd Infantry Regiments	4,800	men
3rd and 4th Cavalry "	1,440	"
1st and 2nd Batteries	500	"
Two detachments with machine guns	80	"
	6,820	

2nd

2ND DIVISION

(Harbin and Southern Line, Chinese Eastern Railway.)

Headquarters at Harbin.

Major General L. G. Karniloff, Commander of Division.

3rd Infantry Regiment, Headquarters at Harbin.
4th " " " " "
1st Cavalry " " " "
2nd " " " " "

Strength of 2nd Division.

3rd and 4th Infantry Regiments,	5,000 men
1st and 2nd Cavalry Regiments	1,440 "
3rd and 4th Batteries	500 "
Two detachments with machine guns	80 "
1 Company of Sappers	200 "
	7,220 "

Distribution of troops.

Number of Companies	Regiment	Station
1	3rd Infantry	Dalin on the Sungari. R.
4	4th "	Harbin to Kuanchengtsu.
1	1st Cavalry	Along the Sungari. R.
1	2nd Cavalry	Shuanchengpu.
1	" "	Yaomin.
1	" "	Tsaichiakou.
1	" "	Uchimi.

3rd

3RD DIVISION

(Eastern Line, Chinese Eastern Railway)

Headquarters at Hungtaohotsu.

Colonel I. K. Urbanovitch, Commander of Division.

5th Infantry Regiment, headquarters at Imianpo.

6th " " " " Hulin.

5th Cavalry " " " Imianpo.

6th " " " " Eho.

Strength of the Division.

5th and 6th Infantry Regiments	3,600 men
" " " Cavalry "	1,440 "
" " " Batteries	500 "
2 detachments with machine guns	80 "
1 company of sappers	250 "
	5,870 "

Distribution of troops.

Number of Men	Station
1,250	Imianpo
1,000	Hulin
1,500	Eho
1,000	Hungtaohotsu

The remainder are at various stations along the Eastern Line of the Chinese Eastern Railway.

Total Strength of Corps.

1st Division	6,820	men
2nd "	7,220	"
3rd "	5,870	"
Total	19,910	"
Railway Battalion	2,000	"
Officers	500	
Grand total - -	22,410	

ENCLOSURE NO. 1 b WITH DESPATCH DATED OCTOBER 11,1912.

STATIONS ON THE CHINESE EASTERN RAILWAY

WESTERN LINE

WEST FROM HARBIN

STATION NUMBER	NAME OF STATION	VERSTS	MILES
1.	Tuichingshan	29	19
2.	Mangou	59	40
3.	Sung	89	60
4.	ANDA	119	80
5.	Sartu	149	100
6.	Lamatientzu	169	115
7.	Hsiaohotzu	198	132
8.	Yantuntun	225	149
9.	TSITSIHAR	255	169
10.	Fuliardi	265	179
11.	Hurhura	274	185
12.	Turchiha	303	202
13.	Nientsushan	332	222
14.	Chengchisihan	359	240
15.	Jalantun	389	260
16.	Halasu	417	278
17.	Barim	447	298
18.	Yalu	477	318
19.	BUHETU	504	336
20.	Hingan	528	352
21.	Irekte	536	358
22.	Unur	564	376
23.	MIANTUHO	595	395
24.	Yakeshi	624	416
25.	Jaromte	649	433
26.	Hake	675	450
27.	HAILAR	701	467
28.	Uguner	730	487
29.	Vangocn	760	507
30.	Horhonte	791	527
31.	Zagan	819	546
32.	Jalainor	849	566
33.	MANCHURIA	876	584

EASTERN LINE

EAST FROM HARBIN

[illegible]	NAME OF STATION	VERSTS	MILES
1.	Old Harbin	9	6
2.	Ashiho	39	26
3.	Ertsengtientsu	58	39
4.	Hsiaolin	74	49
5.	Maoershan	94	63
6.	Uchimi	123	82
7.	IMIANPO	152	101
8.	Weishaho	180	120
9.	Shitouhotsu	209	140
10.	Kaolintsu	233	155
11.	Hengtaohotsu	255	170
12.	Shanshi	285	190
13.	Hailin	313	209
14.	Mutanchiang	332	222
15.	Mho	338	225
16.	Motaoshi	353	235
17.	Taimakou	378	252
18.	MULIN	402	268
19.	Machiaho	432	288
20.	Taipinglin	454	303
21.	Shilinho	469	313
22.	Hsiaosuifen	489	326
23.	POGRANITCHNAYA	512	341

SOUTHERN LINE

SOUTH FROM HARBIN

1.	Uchia	31	21
2.	Shuanchengpu	48	32
3.	Tsaichiakou	66	44
4.	Sanchaho	79	53
5.	Taolaichao	115	77
6.	YAOMIN	152	101
7.	Duhai	169	113
8.	Heishatsu	196	131
9.	Kuanchengtsu	222	148

Total Length of the Chinese Eastern Ry

Western Line	876 versts	584 miles
Eastern Line	512 "	341 "
Southern Line	222 "	148
	1,610 versts	1,073 miles

to Military attaché
Copy to Dept. Seb File

Statement of Chinese forces at present in
Sub. and around Nanking
Recd. Dec. 2, 1912.
Ack.
Ans.
Ref.
Ans.

No.42. 1/2 AMERICAN CONSULAR SERVICE,
NANKING, CHINA.

File No.

November 27, 1912.

Duplicate to Department
12/2/12

Honorable W. J. Calhoun,
American Minister,
Peking, China.

842

Sir:

I had the honor to telegraph you this morning informing you that recruiting is going on in both the provinces included in this Consular District and that this is generally understood to mean preparation for a military campaign in Mongolia. The feeling among the people seems to be strong for war, and perhaps the recruiting may be a temporary expedient of the Peking Government to satisfy the feelings of the people in the Southern Provinces until the war fever has died down. There have been so many changes in the military forces here in the course of the reorganization, disbanding and re-enlisting of troops, that it has been difficult to keep matters straight.

I believe that the following is substantially correct as a statement of the forces at present quartered in and around Nanking:

The 8th Division(第八師) is now being brought up to full strength(about 12,000) and is quartered in the old Exhibition Grounds. This division is under the direct control of the Board of War. It is supposed to be awaiting orders to march to Urga.

The 4th Mixed Brigade(第四混成旅), formerly the 7th Division, consists of nine battalions(營), 3,600 men, and is quartered in the new barracks outside the C Ch'ao Yang Men, near the Ming Tombs.

The 5th Mixed Brigade(第五混成旅), formerly the 3rd Division, also consists of nine battalions, 3,600 men, and is quartered at Shangho, outside the Shui-hsi-men.

The Fu Battalion(福字營) has been transferred here from Shanghai. It consists of one battalion, 400 men, and is quartered inside the city.

The Nanking Garrison(南京衛戍團), formerly part of the 7th Division, consists of three battalions, 1,200 men, and is quartered inside the city.

The 17th Regiment(團), formerly the 2nd Mixed Brigade, consists of three battalions, 1,200 men, and is quartered outside the South Gate.

The Gendarmerie (憲兵) consists of one and a half battalions and is quartered at Hsiakwan.

This gives a total of about 20,800 soldiers stationed at Nanking, of whom 12,000 are under the direct orders of the Board of War and 10,600 under the Tutu of the Province.

I have not been able to obtain the figures for the military forces of Anhui Province, but I verified the report as to the recruiting of soldiers in a conference with the local officials at Wuhu on Monday last. The Army at Yangchow under Hsü Pao-shan remains at about

20,000

20,000, he having refused to disband any of his troops when requested to do so by President Yuan some time ago.

I have the honor to be, Sir,
Your obedient servant,
Charles D. Tenney,
American Consul.

822.

Copy for the Legation at Peking.

NO.---

Sub. Political Conditions in Manchuria.
Recd. Feby 17/13
Ack.
Ans.

AMERICAN CONSULATE,

Harbin, China, February 10, 1913.

SUBJECT: **POLITICAL CONDITIONS IN NORTH MANCHURIA.**

THE HONORABLE
THE SECRETARY OF STATE,
WASHINGTON.

The Secretary.

Second Secretary.

SIR:

I have the honor to herewith enclose translations of two extracts from two articles which appeared in the "Novaya Zhisn" on February 2 and 6, respectively, in regard to Political Conditions in North Manchuria. The "Novaya Zhisn" is not an official organ, and their views and expressions are usually extreme and intemperate, but in these articles, they fairly portray the views of a majority of the Russian population of North Manchuria, and of the military, but it is doubtful if such strong views are entertained by the Russian Government. It frequently happens that political articles, the publication 1/

cation of which in the "Harbinski Viestnik", which is the official organ of the Railway, and consequently of the Russian Government, would prove bad policy, and in such cases, the information is handed to the "Novaya Zhisn", to be used if they see fit.

I have the honor to be,
Sir,
Your obedient servant,

Fred'k Maynard
AMERICAN CONSUL.

Enclosures: (in duplicate)

1. Extract from an Article published in "Novaya Zhisn". Translation. January 20 (February 2) 1913.
2. Extract from an Article published in "Novaya Zhisn". Translation. January 24 (February 6) 1913.

Through the Legation at Peking, with copy.
Copy to the Consulate General at Mukden.

710.

A true copy of
the signed orig-
inal. APB

ENCLOSURE No. / DESPATCH DATED, FEB 10 1913

TRANSLATION.

"Novaya Zhisn" January 20 (February 2),1913.

MORE REGARDING THE MANCHURIAN CRISIS.

* * * * In previous articles we described the political and economical conditions in North Manchuria, and made the statement that such conditions cannot long continue; and that although hundreds of millions of Roubles, and hundreds of thousands of human lives were sacrificed to obtain concession rights in Manchuria, the Russian colony in Manchuria is being allowed to die out. We have indicated that the extreme changes in the diplomacy of the Central Government in regard to Manchuria has caused the Government to forget us. * * * * We are compelled to take this view, as the abolition of the 50-verst free zone is a hard blow to Russian trade and industry in Manchuria, from which it is doubtful if Russian Manchuria will be able to survive. The young colony is now left to seek new markets, which are not easily found. * * * * The logical conclusion is that before seeking new markets it is better to consider the local market, and find some way to save Russian Manchuria. * * * * We expected that at any moment Japan may annex South Manchuria. * * * * We must keep step

with Japan to insure the proper development of our frontier possessions. By doing this it might be said that China will become our bitter enemy. This is true, and we must look the truth in the eye. Even at the present time, the Chinese cannot be considered our sincere friends. * * * *
The Chinese will never forgive us for assisting Mongolian independence, and sooner or later this account must be paid. If we seriously undertake to guarantee the independence of Mongolia, and prevent China from sending an expedition there, we should have plenty of troops in Manchuria to back up our words with strong arguments, and only by having a strong Russian Manchuria, can we isolate Mongolia from China.

It may be said that our action in Manchuria will be prevented by Great Britain or Germany, but this is groundless, as we have a treaty with Great Britain, and Germany knows that her export trade in Manchuria is protected by Russian troops at Russia's expense. The numerous German firms in Manchuria at the present time operate successfully, because they stand behind Russian soldiers. It is clear that in Russian Manchuria, German exports will flourish better than in the Manchuria of Hunghutsus.

From the moral standpoint, we feel that we are above the reproach of the young Chinese Republic, as she is unable to maintain peace in China proper, and is useless to think of her maintaining peace and order in Manchuria. Disregarding our cries that the Hunghutzus are robbing us, and are getting worse every day, the Chinese Government have done nothing to protect the lives of Russians and foreigners in Manchuria. It is clear that nothing more should be expected from China, and we should depend upon our own strength to protect our lives.

Today's South Manchuria semi-official paper (Manchuria Daily News) states that the Russian Government have handed a note to China containing a warning that if China does not take the necessary steps to protect Russians from Chinese bandits, Russia will act. We have often had experience with Russian diplomatic notes, and we know how China answers. Rather than continue correspondence, prompt action should be taken, or it will be too late.

There is no doubt that the Amur and Maritime Provinces must be nourished by Manchuria.

There is no doubt that Japan will annex South Manchuria.

There is no doubt that with the independence of Mongolia, Manchuria is daily subject to serious danger.

There is no doubt that we have spent billions of money and hundreds of thousands of lives in Manchuria.

There is no doubt that the Russian colony can expect no protection from China.

There is no doubt that our lives are only held by a hair, if we continue the old policy of playing friendship with China.

It is clear what action can relieve us from the present situation.

All the public, commercial and industrial organisations, and educational institutions within the alienated line should arrange a meeting of their representatives to deliberate the above question, and insist upon the Central Government executing the resolutions of the meeting.

ENCLOSURE No. 2 DESPATCH DATED, FEB 10 1913

TRANSLATION.

"Novaya Zhizn" January 24 (February 6), 1913.

THE CRISIS AND THE POLITICAL SITUATION.

North Manchuria is under the Russian sphere of influence: the towns, villages, and railway, such industries as the exportation of cereals to Europe, flour milling, factories, timber concessions were all created exclusively by Russians, by Russian resources and victims. A wild and intolerable situation has existed up to the present time in this great district, which was ruined by a savage and uncultured nation, and which was saved by the Russians, remains without political rights, and is without a master who has the power to establish order, and to develop the industries, of which the foundations were laid by Russians knowledge, hard labor and money. No one is so mistaken as to believe that North Manchuria will again become the property of China, and we are only trying to cover ourselves with a fig leave of Chinese sovereignty, which in reality does not exist. It is time to say openly and clearly: This cannot continue. If not today, then tomorrow, Russia will be forced even against her will to take measures for the protection of Russians and Russian interests in Manchuria.

Sub. Recognition of the Republic of China.

Peking,

No. 782

March 18, 1913.

Ref.

Ind.

800

The Honorable,

The Secretary of State,

Washington, D. C.

Sir:

I have the honor to submit the following observations upon the advisability of a recognition of the Republic of China by the United States of America.

In the reports upon the political situation in China, recently sent by the Legation, the unsatisfactory condition of the present Provisional Government is to some extent set forth.

It must be admitted that the masses of the people of China take little or no interest in the Republic. They are too ignorant to understand the meaning of the world "republic". They have always been accustomed to autocratic rule. The local official has been regarded as a father, and the government has always sustained to the people a paternal relation. When they see their neighbors choosing the officials of the district and they themselves are asked to exercise the suffrage, there are not a few of them who become suspicious and, in order to avoid possible future punishment for taking part in such a movement, they carefully abstain from all action of a political character. Some regard the President as an emperor; others look upon this period as one of transition from one dynasty to another; most desire to be left alone to attend to their farms, their shops, and their daily occupations, and to be taxed as lightly as possible.

Patriotism in China has, for the most part, been parochial, at best but provincial. Provincial jealousies have been very strong. The unity of the empire was maintained through the appointment by Peking of viceroys, governors, and lesser officials, who were never allowed to serve in their own provinces, nor to contract marriage alliances in the provinces to which they were assigned. The administration was thus bound to Pkeing by strong ties of self-interest, and there were no inducements to lead the officials to prefer the welfare of the province to that of the Central Government. When the Revolution occurred, the officials appointed by the Manchu Government found themselves in many of the provinces entirely without the sympathy of the people around them. Recent changes in the organization of the army had created considerable bodies of troops that were serving in their own provinces and thus in sympathy with their fellow provincials, as against the Peking Government. Province after Province thus broke away from the empire, with little or no fighting, and declared their independence. By the abdication of the Manchus, a reunion of the provinces became possible and a Republic was proclaimed.

But the brief experience of self-government has awakened, especially in the southern and central provinces, a strong desire to preserve their autonomy, and a jealousy of the authority of the Central Government has developed not unlike that which the American colonies displayed toward the federal government at the close of our own Revolution. For this reason, the present Republican Government in Peking has been left almost without revenue and finds it difficult to enforce its authority when opposed to local interests.

A further cause of weakness is the continued existence in the south of provincial armies in the pay of the provincial military governors, who have by various means seized control of these territories.

The personal jealousies of rival republican leaders, their inordinate lust for power and wealth, and the great amount of corruption existing in official circles add still other disintegrating tendencies.

But on the other hand, it remains a fact that the people, however indifferent to the form of government, are making no resistance to the new order. They are a peaceable people and have shown themselves quick to appreciate any measure looking toward the improvement of their condition by the development of the natural resources of their country, the improvement of communications, the introduction of farious new industries, and the opening of schools, and there can be no doubt whatever that, given time, they will show themselves capable of self-government. It must be admitted, too, that the institution of village elders and the activities of the trade guilds have done much to prepare the way for representative government. When government has grown too oppressive in the past, the elders have expressed the feeling of the people and many an official of the Manchu Government has found it impossible to execute the edicts of the Throne when opposed to the interests of the guilds.

Parochialism, too, is slowly disappearing with the spread of education and by the extension of railways and steamship lines, which have made intercommunication easier.

The encroachments of the foreigner have done much to hasten this recognition of national interests. The coming of the missionary into the remotest corners of the country, bringing with him a broader outlook upon the world, and the intermingling of Christians from all the provinces in the national gatherings that have been held in recent years, have aided this tendency in a very marked degree.

Furthermore, the provisional President has shown marvelous tact in reconciling the conflicting interests of the provinces and strengthening the bonds of union. The disorders which have occurred in various provinces are after all no worse than those which were of frequent occurrence under the Manchus. When it is realized what a great revolution has occurred, it is surprising that order has been so well maintained.

Many foreign residents have been disappointed in the attitude towards foreign interests taken by the republican officials. There is indeed much ground for complaint upon this score. The republican officials have shown themselves, on many occasions, even more unreasonable in their disregard of treaty stipulations than the Manchu rulers, but I believes this to be due in a great measure to the youth and inexperience of many of these officials, and their ignorance of the treaties. Something, too, must be charged to their republican pride and their determination to show that the Republic is better fitted than the empire to guard the rights of the people.

Taking all these facts into consideration, it seems to me that even the most discouraging features of the situation in China are not of a sort to recommend delay in recognizing the new government.

There is no rival government contending with it for the possession of the country. The Manchus are not offering any resistance to it. It was established in fact by the cöoperation of the Manchu Government, which abdicated with the object of preventing further civil strife. It has complete possession of all the provinces of China proper and of Manchuria. Outer Mongolia has declared its independence before the Republic was formed. Tibet is engaged in strife with the Republic, but Tibet has always been autonomous, as indeed is true also of Mongolia. The elections just held throughout the twenty-two provinces, in spite of the delays and dead-locks occurring in some, show that the people who really take any interest in the political situation mean to stand by the Republic. But, even if it should prove true that a dictatorship or an empire is to succeed the present government, it would be no more than has happened in the case of other republics recognized by the United States, and there is nothing in the anticipation of such an event to encourage us to withhold from this struggling Republic a sympathetic recognition by the Mother of Republics.

Such a recognition would of itself do much to prevent a return to imperialism. The Chinese have an exaggerated idea of the importance of recognition by the western powers. They have been especially chagrined by the failure of the United States to recognize their new government. They are confidently expecting that when the National Assembly meets and the President is elected, the foreign powers will recognize the Republic.

I believe that our own should be the first government to do so. It will greatly strengthen the good feeling towards us already existing, and it may serve to prevent the making by other governments of such unjust conditions of recognition as have in some cases been proposed. Great Britain has stated that it will not recognise the Republic until China shall have entered into a new convention with it respecting Tibet. Others are suggesting other conditions; some the reorganization of the courts; some the abolition of likin; some the enlargement of foreign jurisdiction in the treaty ports.

I do not believe that any real advantage is to be gained by wounding Chinese pride and arousing the enmity of those with whom we must deal in the settlement of outstanding questions and in the promotion of American interests. There must be mutual respect if international intercourse is to be of any value.

I have the honor to suggest that, while the coöperation of the great powers has resulted in much good to China, if a continuance of that policy requires us to withhold recognition of the Republic until all are agreed to recognize it, we may injure our own interests and merely promote the aggressive designs of others.

I have th honor to be, Sir,

Your obedient servant,

(signed) E. T. Williams

Chargé d'Affaires.

A true copy of the signed original. W.J.C.

800.

Sub. Recognition of Chinese Republic

Peking,

M. No. Ref. May 1, 1913.

#710.

George E. Anderson, Esquire,
American Consul General,
Hongkong, China.

Sir:

I have to advise you, for your information only, that recognition of the Government of the Republic of China will be accorded tomorrow, the 2nd instant, by the formal presentation of a communication from the President of the United States to President Yüan Shih-k'ai.

I am, Sir,

Your obedient servant,

(signed) E. T. Williams

Chargé d'Affaires.

800.

A true copy of the signed original.

To F. O.

Presiding officer of Senate & House states, request date for presenting message of the President

Sub.

R.

LEGATION OF THE

Ans.

UNITED STATES OF AMERICA.

A. To Dept.

6 - MAY 1913

9/10

MEMORANDUM.

The American Chargé d'Affaires has the honor to inform His Excellency the Minister for Foreign Affairs that he has been instructed by the Secretary of State of the United States of America at such time as the National Assembly of the Republic of China shall have convened with a quorum and shall have been organized for business by the election of its officers, to deliver to His Excellency Yuan Shih-k'ai, the President of China, a message from the President of the United States of

America, extending on behalf of the Government and people of the United States of America formal recognition of the Republic of China.

The American Chargé d'Affaires has the honor to acknowledge the receipt of the Note of His Excellency the Minister for Foreign Affairs, wherein he is informed that both houses of the National Assembly have convened with a quorum and have regularly elected their presiding officers. He has the honor, therefore, to inquire when it will accord with the convenience of His Excellency the President of the Republic of China to grant him an opportunity to wait upon His Excellency with the members of his staff, in order that he may carry out the instructions with which he is charged.

Peking, China.
May 1, 1913.

Sub. Recognition of the Chinese Republic

Ref. Peking,

No. 841

Ind. May 6, 1913.

The Honorable,
The Secretary of State,
Washington, D. C.

Sir:

In compliance with your telegraphic instruction of April 6, 11:00 p.m., I have the honor to report that the message of President Wilson, according recognition to the Chinese Republic, was delivered to President Yüan Shih-k'ai on Friday, May 2nd, at eleven o'clock a.m.

The conditions precedent to recognition laid down in your instruction, referred to above, were that the National Assembly should have convened with a quorum and organized for business by the election of officers. These conditions were not fulfilled until May 1st. The Senate completed its organization on April 25th; the House did not elect its Speaker until April 30th. As soon as this was done, I intimated to the Foreign Office that the Legation was instructed to deliver a message from the President of the United States of America to the President of China when officially informed of the organization of the two Houses of the Assembly. The information was communicated to the Legation the same evening, and I at once wrote to the Minister for Foreign Affairs asking for the designation of an hour when I might carry out my instructions. He replied at once, fixing Friday, May 2nd, at 11:00 a.m. Copies of the notes mentioned are sent enclosed.

On the 1st of May the House completed its organization by the election of a Vice-Speaker.

I was prepared to deliver the message on May 1st, since the election of a Vice-Speaker could not be considered essential to the working of the House, but the President of the Foreign Office desired to mark the recognition of the Republic by the United States with signal honors and took time to prepare a very elaborate programme.

At ten o'clock a.m. on the 2nd of May, a State carriage was sent to the Legation with a guard of honor. Accompanied by the staff of the Legation I was driven to the gate of the West Park in which the President's palace is located. Police and soldiers were stationed at short intervals along the route and the houses were decorated with flags.

After entering the Park, we were taken across the lake in the old imperial barges and met at the entrance to the President's Palace by the Master of Ceremonies, Mr. Sun Pao-ch'i; by Admiral Ts'ai T'ing-kan, Admiral Ch'êng, and General Yin Ch'ang, Chief of the General Staff. A guard in the outer court received us with military honors and the President's body-guard of lancers showed similar honors in the inner court.

The Minister for Foreign Affairs; Mr. Tuan Chih Kuei,--a representative of the Premier, who was ill; and other officers were waiting in the principal hall of the Palace. The President having been announced, I was conducted to an inner reception room and after a bow, which the President acknowledged, I read the message of President Wilson and handed it to President Yüan, who gave it to the Minister for Foreign Affairs. I then made a brief address to which the President responded very cordially. I enclose copies of these addresses. Mr. Peck, the Assistant Chinese Secretary, read the Chinese text of President Wilson's message and of my own remarks, and President Yüan's secretary, Mr. Wellington Ku, a graduate of Columbia University, read the English text of the President's reply. The members of the Legation were all introduced to the President and after brief conversation he withdrew. Mr. Lou Tseng-tsiang, the Minister for Foreign Affairs, informed me that the reply of President Yüan to President Wilson had just been telegraphed to Washington and would be presented there.

We were then shown through the grounds and buildings of the West Park and upon our return to the Palace, President Yüan appeared again and invited ustto lunch with him. A military band supplied music during the meal. At its conclusion, a photographer appeared and took several pictures of the company. We then took leave and were escorted back to the Legation.

A simpler procedure would have been more to my taste, but the Chinese are fond of ceremony and display, and in this instance it was perhaps just as well to give prominence to the event because of the rather critical condition of affairs.

The Kuo Min Tang, or Nationalist Party, was attacking the Government very bitterly because of its signature of the Reorganization Loan with the Quintuple Group without having first obtained the consent of the National Assembly. Telegrams had been sent to all the provinces and many strong protests had been received by the Government. It was known, too, that the revolutionary leaders -- Dr. Sun Yat-sen, General Huang Hsing, and General Ch'en Chi-mei -- at Shanghai were plotting a new revolution and had attempted to borrow money and purchase arms for this purpose. Not knowing at the time how much support this movement might receive, it seemed advisable to inform the Department of the situation, which I did in my telegram of April 30, 6:00 p.m.

To some critics the United States appeared to be recognizing a government which was about to be overthrown, but the very fact that the American Government carried out its programme of recognition without regard to the plottings of the malcontents served to discredit the latter and had an excellent steadying effect throughout the country, increased the respect of the people for the Republic, encouraged the orderly and law-abiding, and tended to promote a better feeling by withdrawing attention from party politics.

The local Russian organ, the JOURNAL DE PÉKIN, attempted to create suspicion in the minds of the members of the Kuo Min Tang by insinuating that the recognition was intended for the President, Yüan Shih-k'ai, and was therefore a blow to their hopes for representative government. The article failed to accomplish its purpose, however, because the text of President Wilson's message was published in the government papers the morning after the recognition and gave the only answer that was needed to such a charge. In fact the attitude of the American Government was fully understood, both by the Government and the opposition, since the Legation had kept in close touch with all parties and had constantly urged upon them the expediency of an early organization of the Assembly in order to make possible a recognition of the Republic by the American Government.

On Saturday, May 3rd, both Houses of the National Assembly passed resolutions thanking the American Government for its action. These resolutions will be communicated to you through the Chinese Minister in Washington.

In accordance with the instructions contained in your telegram of April 5, 11:00 p.m., I informed all the consuls and the Commander-in-Chief of the Asiatic Fleet of my intention to deliver the message of recognition and recommended to them a call at the same hour upon the local authorities.

The Consuls-General at Shanghai, Hankow, and Canton have already reported the carrying out of their instructions.

tions. Great enthusiasm was shown in Hankow and the neighboring city of Wuchang where criers with gongs were sent about the streets announcing the recognition of the Republic by the United States of America. At Shanghai, too, there was general rejoicing and a celebration of the occasion by appropriate decoration. The Admiral, however, waited until informed that recognition had taken place and exchanged calls with the local officials on Saturday, May 3rd.

A Chinese-American association here in Peking has prepared an elaborate programme for the celebration of the event on the 8th instant and similar celebrations are to be held throughout the country. All of this will have a good effect upon the relations between the two countries and will, it is hoped, do much to consolidate and strengthen the Republic of China.

I have the honor to be, Sir,

Your obedient servant,

(Signed) E. T. Williams

Chargé d'Affaires.

Enclosures:

As stated.

710.

A true copy of the signed original.

Newspaper cuttings
Recognition by the U.S.

Sub.

Peking,

Ref. May 20, 1913.

Ind.

No. 862

710

The Honorable,
The Secretary of State,
Washington, D. C.

Sir:

I have the honor to enclose, for the information and files of the Department, copies, in translation, of editorials, published in various local native newspapers, commenting upon the recognition by the United States of the Republic of China.

I have the honor to be, Sir,

Your obedient servant,

(Signed) E. T. Williams

Chargé d'Affaires.

Enclosures:

As stated.

710.

A true copy of the signed original.

OUR THANKS FOR AMERICA'S RECOGNITION.

B. (Translation of an editorial in the Asiatic Daily News)
of May 3,1913.)

China was proclaimed a republic 136 years after the establishment of the United States of America, and accordingly there are now two great republics in the world. Our two republics, one in the Eastern hemisphere and one in the Western, are exactly opposite one another on the globe. Our mountains, rivers, products and seasons are without exception alike, and it is only our histories which are slightly different; moreover our peoples have a common love for liberty and civilization. We can no langer allow France and America to exclusively enjoy the fame of composing the wisterhood of republics.

As a result of the Opium War, in the 21st year of the Emperor Tao Kuang of the late dynasty, America made her first treaty with China, and in the 8th year of the Emperor Hsien Fêng when the British demanded an indemnity of $12,000,000 for the opium, America acted as peacemaker and the indemnity was reduced to $6,000,000. At the time of the Boxer calamity when the capital was engulfed in disaster the American Secretary of State, Hay, proposed the policies of the Open Door and the Maintainance of the Integrity of China, and, having obtained the approval of the powers, thus transformed the nature of the foreign intercourse of the East of Asia. Again when during the Russo-Japanese War our Eastern territories wer were endangered President Roosevelt came forward and by bringing about the peace negotiations and the Portsmouth

Treaty saved Manchuria from no small danger. When President Roosevelt's term was finished and Mr. Taft was president, he proposed the neutralization of the Manchurian Railways in order to hinder Japan and Russia. In speaking of China's foreign relations and America's continued assistance in our time of need we may call America our Lu Chung-lien (an ancient worthy famous for helping those in difficulties). Although America has taken the Philippines and is accordingly closely watching our Southern Seas, and is digging the Panama Canal in order to gain commercial advantage over Japan, still for the past few decades she has brought about peace in the East of Asia and has the friendliest of relations with us, Should we not be accordingly grateful ? When the revolution at Wüchang and Hankow succeeded did not certain countries take advantage of our confusion to gain advantages for themselves ? During this last year one has heard constantly of trouble on the frontiers and foreign intercourse has been difficult to handle, and it has all been due to this cause. America alone from the beginning of our republic has continually discussed in both houses of Congress the question of recognition; and when we were in difficulties over the loan she left the sextuple gra group and announced to the world her intention to follow the principles of righteousness. Again today, now that the speakers of both the upper and lower houses of the national legislature have been elected, she accords us her formal recognition. How praisworthy are the usuages of this great country ! She can not be mentioned in the same connection with the countries which profit from another's misfortune. When the United States seceded from England and became independent, France, because of hatred of the English people who had outstripped her commercially, recognized them first. This unquestionably enabled them to become independent Our new country has established its popular government and America has been friendly to us just as France was to her, and the republics of the Eastern and Western Seas have clasped hands as sisters. The spirits of Rousseau and Montesquieu who before us established republics, will, on hearing the news, be delighted beyond expression.

Although recognition has been accorded to the newly made government, or rather to the transformed government, this is a question of governmnet policy and not of law. The policy of America towards our country has been to maintain the Open Door and to maintain our territorial integrity, and accordingly the step of recognition is a logical continuance of this policy.

Henceforth America will not deceive China, nor China America, which is just as the intercourse between two countries should be. Moreover what should our policy towards you (America) be in view of your policy of the Open Door and Integrity of China ?

Is there a means of escape from wild rumors and disorders in the interior ? If the laws are disobeyed and impulses followed can the wountry be established ?

I can not but repeat the Fa-mu poem in thanking America:

> " The sound of chopping and the song of the bird. The bird comes from the remote mountain valley

and

> lighting in a lofty tree calls to its comrades. If the bird calls its comrades should not man ? "

And I will also quote the Fu-tien poem for the benefit of my fellow countrymen:

> " If I do not hoe my field I will have dense weeds; if I do not think of distant friends my heart will be full of care."

My purpose in this is to express our gratitude to America for her recognition and also to arouse the people of the new China.

Our Respectful Response to America's Generous Impulse.

3. (From the Kuo Feng Jih Pao of May 3, 1913.)

The two great Republics opposite each other in the Eastern and Western hemispheres are America and China alone. America, from the time it severed its bonds from England till now, has existed for more than one hundred years, and its Government has now reached great heights of excellence. Our Government truly ought to look up to it as an example. From the establishment of our Republic America has in everything extended aid without stint;-as witness their magnanimous heart in withdrawing from the Sextuple Group, thereby supporting the Chinese Republic and guaranteeing the harmony and happiness of Eastern Asia; thus giving China cause for gratitude, indeed.

Now because of the organization of our Parliament America of all [redacted] is the first to recognize our country. The Poet says:-

"The heart loves, indeed,
What else should I say?
I store the love in my heart
And how can I ever forget it ?"

Because I dearly love America I say this again and again.

Although America withdrew from the Sextuple Group, and the Government has secretly concluded a loan with the Quintuple Group --- ingratitude to America indeed. All Chinese in extolling the Virtues of America, all the more cannot but make apologies for the faults of their own Government. May our Government hereafter not be in the shadows of despotism, but advance to a Republic in the highest sense. Thus covering up its former faults, and responding to higher impulses!!

……

An Expression of Gratitude for America's Recognition.

(From the Shun T'ien Shih Pao of May 4, 1913.)
(Ts)

A year had elapsed since the proclamation of the Republic and of the various friendly countries, none had formally recognized China. On the 8th of last month the two Houses of Parliament having been opened, Brazil and Peru took the lead in recognition.

America's original intention was to recognize on the 8th. of April, but afterwards because the two Houses had not yet been organized permanently, therefore the official documents were not handed in. Then the Speakers having been elected and the Parliament organized, the American Minister at Peking on May 2nd. transmitted the documents of recognition. Mexico at the same time recognized the Republic. The United States, Brazil, Peru, and Mexico, all being Republics are deeply imbued with the principles of popular government. They now look upon China, she having adopted the Republican form, as a good friend acquired, and that they must not wait for other countries to take the lead in recognition.

As to Japan and the countries of Europe, they wished for all countries to recognize at the same time. Therefore although the various countries of the American continent have recognized China, we have no way of knowing when Japan and the European Powers will do so. Because, their idea is that, although Parliament has been organized, still the permanent President has not yet been elected, and it cannot be said that the

Republic has been completely established, the present President still being a Provisional President, and the Government still being a Provisional Government. Moreover, at this juncture of change from the old th the new, it is difficult to guarantee that there will be no changes in the [redacted] the Government officials. This is the reason for the irresolution and unwillingness of Japan and Europe to recognize China.

The people of China should certainly be thankful to America for ots generous action in recognizing the Republic, and for its generuous impulse in extending its most friendly aid. But as to the other nations, we cannot, because they delay in recognizing us, find fault with them; for their original decision was that recognition should be accorded by all the Powers at one time. But America's policy, because of a change of administration, underwent a slight change. The other nations still intend to recognize altogether at the time of the establishment of a permanent Government.

The policy of the various countries is to await the permanent establishment of the Government; therefore our country, if it can quickly draw up a Constitution, and afterwards in accordance with the same, elect a permanent President, thereby finally establishing a Government, the various Powers will of course have the good tidings of recognition. We cannot hope for things from others without seeking in ourselves.

Moreover, the present most important matter is the reorganization of internal affairs. From the time of the coming up of the unfortunate Sung case, the North and the South have daily become more estranged. Rumors repeatedly arise and dangerous conditions have presented themselves. The whole country has become excited till it has almost reached a state of violent disorder. The relations, both beneficial and harmful, of Japan and Europe with China are very intimate. It is unnecessary to state that they look upon China's present condition, and are suspicious and irresolute.

Look at the Reuter's telegram recently appearing in the London"Times"which said that it was feared that the principles of Republican government could not really be applied in China. That the Republic would in the future change to an Absolute Monarchy. From this it is seen that foreigners greatly fear that the foundations of the Chinese Republic are not yet firmly established, and that they cannot immediately recognize it. Can it be wondered at?

Therefore I sincerely hope that all citizens- - both high and low-- will not contend over party views, and stir up trouble; that they will harmoniously combine their strength to preserve peace, and steadfastly follow their various occupations. Success in internal affairs being displayed, foreign affairs will be easily managed. Do not, because of America's recognition, immediately be filled with arrogance; also, do not, because other countries have not yet recognized, be filled with resentment.

....

Do not be Ungrateful for America's Magnanimous Heart In Hoping for China's Future.

B. (From the Shun T'ien Shih Pao--May 4, 1913.)

From the time that Brazil and Peru recognized China, the only great Power which has done so is America. The many colored flag floating on the breeze, the people consider a cause for rejoicing. Ah! it is good indeed.

We see that the telegram of recognition received from the President of the United States says:- " when the representative National Assembly has met to discharge the high duty of setting the seal of full accomplishment upon these aspirations of the Chinese people---". Ah! America in recognising China certainly shows unbounded faith in the future of our country, but, people of China, do you not know that you must exert yourselves? Still, since the Sung Chiao Jen case the breach between the North and the South has daily become wider. All classes of people have exerted themselves to forward their own selfish ends, by contention among themselves. Whether the administration of the country prospers or fails,---- if this does not arouse any emotions in their hearts, but only with suspicious intentions they fabricate misleading statements to arouse suspicion and disorder in persons' seeing and hearing, and also the Parliament, charged with high and weighty duties daily contends over party views and does not think of restoring and preserving the nation from all traces of misfortune, we dare not think of the future.

Ah! my countrymen! why do you not think of America's magnanimity in her hopes for China's future, and be aroused to a realization of your duties?

****

copies to staff

Comments by Foreigners after America's Recognition.

(From the Ya Hsia Ya Jih Pao of May 4, 1913.)
(Tr)

Recognition has been accorded by America as noted in yesterday's paper. We have now ascertained that on the one hand the American Chargé d'Affaires yesterday formally handed in the documents of recognition to the President, and on the other hand he telegraphically instructed the American Consuls in the various [illegible] at the same time to tender their congratulations to the Military Governors. At the present time the relations of America and China are exceptionally intimate in the eyes of the world. Moreover the various Powers will perhaps follow America's lead; thus the behavior of these countries after America's recognition ~~are~~ is worthy of much attention.

The "Tageblatt fur Nord China's" discussion of the subject of recognition will really bear minute investigation. It is hastily translated in general below:-

> "Recognition by America is already an accomplished fact. Whether or not the effect will reach other countries is not certain. In our estimation, the main consideration is whether or not the government administration is changed after America's recognition. It is said by some persons that after recognition by America other countries will follow in succession------."

This is not really a correct statement, for the different countries, although they have prepared to recognize China, still all have certain considerations, and are in no hurry to recognize. (The considerations spoken of are those mentioned below such as the election of the President, etc., and are not for the seeking of special concessions. -"Translator".)

The latest telegram from Berlin says:-

> "In the [illegible]stag a large number of the members demanded that the Government quickly recognize the Republic. The Government Representative then declared that recognition by Germany must await the election of a permanent President, and that the effecting of the Loan should not be looked upon as a complete fulfillment of the requirements for recognition, etc."

The "Tageblatt fur Nord China" again:-

> Thus may be seen the German attitude towards China. For the otherecountries' interests in China are entirely different from those of America. America's relations with China are only commercial, while the other countries have much of a political nature in their relations with China. As to commercial relations-- those of the other Powers compared with America's are really still more intimate. England in the last few days has as yet given no intimation as to her recognition. Russia and Japan are sure to adopt a policy of delay before they proceed to recognize China. France will follow in Russia's footsteps. Although these are the situations as regards the above mentioned countries, Germany day and night hopes for the speedy election of the permanent President of China, as the basis for recognition."

……

Sub. Recognition of Chinese Republic by certain foreign governments

Ref.

Ind.

Peking,

No. 1042

October 8, 1913.

7/10

The Honorable,

The Secretary of State,

Washington, D. C.

Sir:

I have the honor to enclose a copy in translation of a Note, dated October 7, 1913, from the Ministry of Foreign Affairs, informing the Legation that the Ministers for Sweden, Spain, Belgium, Russia, Denmark, France, Portugal, Japan, The Netherlands, Great Britain, Austria-Hungary, Italy, and Germany, have been directed by their respective Governments to accord formal recognition to the Republic of China, and requesting that this information be conveyed to the American Government.

I have the honor to be, Sir,

Your obedient servant,

Signed) E. T. Williams

Chargé d'Affaires.

A true copy of the signed original. W.J.

Interview.

Sub. Recognition of Republic of China by foreign governments.
Recd.
Ack A Dept 11 OCT 1913
Ans

October 8, 1913.

710

On the afternoon of October 8, 1913, His Excellency Sun Pao Ki, Minister for Foreign Affairs, accompanied by Mr. Wang Chi-tseng, called at the American Legation on Mr. E. T. Williams, the Chargé d'Affaires, the Chinese Secretary, Mr. W. R. Peck being present.

His Excellency stated that he had great pleasure in informing the American Chargé d'Affaires that the remaining great powers of the world had notified his government through the resident chiefs of mission that they were prepared to enter into relations with the Chinese Government, to which they therefore accorded formal recognition. The Minister for Foreign Affairs further stated that while this simultaneous recognition by so many great powers afforded his Government the greatest satisfaction it did not forget that the American Government had been the first to extend this mark of friendship and he therefore availed himself of the present occasion to call formally on the American

ican diplomatic mission and extend the sincere thanks of his Government for the cordiality of sentiment that had prompted the American Government to be the first of the Great Powers to recognize the Republic of China.

The American Chargé d'Affaires expressed his appreciation of the courtesy displayed by His Excellency in ~~in~~ making this formal call and referred to the recognition extended by the American Government as the official expression of an urgent popular demand on the part of the people of the United States , who felt for the Republic of China a peculiar sympathy, due to the similarity of political aspirations cherished by the peoples of the two nations.

Report on the political situation in China

Sub. ....

Peking.

No. 772

Ref. .... March 11, 1913.

Ind. ....

800

The Honorable

The Secretary of State,

Washington.

Sir:

I have the honor to report as follows upon the present political situation in China.

THE ELECTIONS.

The recent elections for the national House of Representatives and for the provincial assemblies passed off in most districts very quietly.

The qualifications for the suffrage limit it to a comparatively small number, and the indirect method of election places the final choice of representatives in the in the hands of still smaller groups of individuals. The members of the Senate or upper house of the National Assembly are elected by the provincial assemblies. Some of these assemblies are now in session and have held the Senatorial elections. All are expected to make choice within a few days and the National Assembly will perhaps meet about the middle of April. Reports received from some of the consulates and from other sources show that there was considerable corruption in the elections, and, in a few places, intimidation.

Such incidents, however, have occurred in other lands and more numerous complaints of corruption than have been made would not have been surprising in China.

Of greater significance is the general lack of interest in the elections shown by the best classes of people throughout the country.

In Chefoo many persons refused to answer questions as to their qualifications for suffrage fearing that increase of taxation might follow. All through the province of Shantung a similar unwillingness was shown by the people to exercise the right to vote. The Consul General at Hankow reported but little interest there in the election. Other cities made similar reports. Here in Peking no interest, whatever, was taken. A Chinese gentleman, possessed of all the qualifications for the suffrage, informed me, in reply to my inquiries, that he did not intend to vote, that nobody but loafers and office-seekers took any interest in the matter. Some of the wealthy merchants sent their ballots to the polls by the hands of servants, who were not allowed to deposit them. Some shop-keepers sent their children with their votes. In one district, where few voters appeared, the ballots were thrown out into the street where they were scrambled for by coolies and hoodlums, who were afterwards (as it is alleged) allowed to deposit them in the ballot boxes.

The result of the elections thus far shows that the KUO MIN TANG or Nationalist Party is in the lead, though it will not have a majority in the National Assembly. Next in strength is the KUNG HO TANG or Republican Party and third in numbers is the MIN CHU TANG or Democratic Party.

These so-called parties were originally political societies, but they stand nevertheless for different and definite policies.

The KUO MIN TANG or Nationalist Party is the best organized of all and has for its nucleus the secret revolutionary society to which Dr. Sun Yat-sen belonged and which worked for many years for the overthrow of the Manchu Dynasty. This party holds the most radical views. Its greatest strength is in the vicinity of Canton. It aims to establish at once a republic of the most modern and advanced type. Some of its leaders are avowed socialists. It demands a government after the French model with a responsible cabinet that changes with the change of the controlling party in parliament.

The KUNG HO TANG or Republican Party is conservative. It was born in the north with the purpose to end the civil war by a union of the imperialist north with the democratic south in a republic to be made possible by the abdication of the Manchus, and a republic to be ruled by a coalition government. The provisional Vice-President is its leading representative. The President, although supported by it, has, until recently at least, disclaimed connection with any party.

The MIN CHU TANG or Democratic Party is not well named. While its name indicates that it stands for the rule of the people, its leader and founder is Liang Chih-chao, who fled from China with K'ang Yu-wei in 1908 at the time of the coup d'etat of the Empress Dowager. Until the recent revolution, the party stood for a limited monarchy. Its hostility was not to the rule of the Manchus but to the usurpation of the Empress Dowager and the reactionary policy of her advisers.

Although the Nationalist Party is in the lead, it is itself composed of a number of smaller societies, chief of which is the T'UNG MENG HUI or Sworn Brotherhood to which I have referred above as the secret society employed by Dr. Sun.

It is reported here that the President's Secretary, Liang Shih-yi, who has recently gone south, ostensibly to visit his home, has been entrusted by the President with the task of sowing discord in the ranks of the Nationalist Party with a view to the weakening of its influence. Whether or not Mr. Liang has gohe on any such mission it is a fact that within a few days past fifty members of the Nationalist Party have withdrawn. They were formerly members of the T'UNG YI TANG or Unionist Party which joined with the T'UNG MENG HUI to form the Nationalist Party. These fifty members are reorganizing their old party and are said to be well supplied with money with which they are buying up as many members as possible of the Nationalist Party.

The provisional allotment to the provinces of representation in the National Assembly, so it was thought previous to the election, was intended to give the provisional President a majority in each house, but the result of the elections shows that the Nationalists have done some hard work. They have carried some provinces that were thought to be safe for the Republicans. Returns are not yet complete, but up to date the Nationalists have elected about 250 out of 596 members of the House of Representatives, Of these, as just stated, they have already lost 50 by the organization of the Unionist Party. The Republicans have elected about 100 members. An effort is apparently being made to secure a combination of Republicans, Unionists and Democrats to control the Assembly and defeat the policies of the Nationalists many of whom are openly hostile to President Yuan.

THE COUNCIL AND THE PRESIDENT.

The Advisory Council, as the provisional parliament is called, has obstructed the President at every turn. He has had three cabinets, none of which were wholly in sympathy with the Council, and in none of which were the ministers in harmony one with another. The present cabinet was organized as a compromise. The Premier is an old-fashioned Chinese, a henchman of the

President, one who was his chief of police at Tientsin when Yüan was Viceroy of Chihli. He is not only Premier but Minister of the Interior and in the latter capacity controls the police of the whole country. The Superintendents of police in all the important cities owe their appointments to him. The Minister of War is also an official of the old order and fought on the imperial side in the revolution. The Minister of Marine though nominally a Nationalist was an Admiral in the old imperial navy, who joined the republicans at the eleventh hour. Yüan saved his life some years ago, when he was about to be condemned to death for running his ship upon the rocks. Naturally he is devoted to the President. The Minister of Finance is another protege of the President. He is the son of a former Viceroy and was himself an officer of the Manchu Government. The Minister of Communications is of the same sort. These conservatives hold all the important branches of the government under their control. The Minister of Foreign Affairs is an amiable gentlemen of progressive sympathies who has spent most of his life abroad but who is not a man of force. The other ministries are in the hands of progressive young men but men who are untried and but little known.

The President having found it difficult to secure the support of the Advisory Council for his policies has resorted to various methods to overcome the obstruction. At times he has summoned the leaders and reasoned with them; at times he has secured the necessary votes by special favors granted. At times the military have appeared in the galleries of the Council Chamber, or the generals have sent strongly worded letters of advice to the Council which has thus been intimidated into compliance with the President's views. But for over two months now it has been impossible to secure a quorum for the transaction of business except upon three occasions, when bills were brought up which the majority favored. The latest occasion was a vote upon the President's nomination of a Minister of Education which was promptly defeated. There is a good working majority of the Council in the city, but there are not enough of the members willing to attend the sessions, and there is no Sergeant-at-Arms to bring them in.

THE CONSTITUTIONAL CONVENTION.

One subject of the disagreement between the President and the Council has been a government bill to organize a constitutional committee. The provisional constitution provides that the permanent constitution shall be adopted by the National Assembly which has not yet convened. The Council, therefore, refuses to pass the measure proposed by the President. But the President holds that the appointment of a committee to draft a constitution does not infringe the provisions of the present constitution, inasmuch as the National Assembly will in any event have to pass upon the work of the committee. His measure is urged as a time-saving expedient. It will secure a thorough discussion of the various conflicting views and hasten the preparation of a draft which will be ready for the action of the National Assembly by the time the latter is able to take up the consideration of this most important subject.

But the members of the Council distrust the President. They suspect an ulterior motive. They know that he is desirous of establishing a strongly centralized form of government. He calls the proposed body a committee, but it would be in reality a convention. According to the bill it would be composed of eighty (80) members, six of whom would be appointed by the Cabinet, eight by the Advisory Council (later to be replaced by eight appointed by the National Assembly) forty-four to be appointed by the Military Governors of the provinces, (i.e. two by each governor) and twenty-two by the provincial assemblies (i.e. one by each provincial assembly). Such a convention would give the President 50 out of 80 votes, for the Military Governors are theoretically appointed by the President and removable by him.

As a matter of fact the military governors of the southern provinces were either self-appointed or chosen by a small coterie of revolutionists. These southern governors are supported by their own troops and are apparently holding the posts for revenue only.

But when Yüan secured the power to appoint and remove them they did not oppose, and he has been shrewd enough to keep them in their offices. In many cases there is jealousy between these parasitic military governors, who with their armies are living upon the provinces, and the provincial assemblies chosen by the people. The President, therefore, in giving the appointment of two members of the convention to each military governor and of only one to each provincial assembly has further increased his influence with the governors and their troops. These military governors, moreover, are less likely than the assemblies to favor a decentralized government.

On the 7th of March a telegram appeared in the papers signed by nineteen of the military governors urging the adoption of the President's plan. But the Council has not responded.

Those members of the proposed constitutional convention who have been appointed by the cabinet and the military governors, are nevertheless assembling here and some preliminary conferences have already been held. As the Department is aware, Professor Goodnow of Columbia University, has been engaged as constitutional adviser. His arrival in Peking is being anticipated with pleasure by the President's supporters, among whom are several of Professor Goodnow's former students.

The

THE PRESIDENT'S AIMS

But the question naturally arises: if the President, with all his patronage and military power, has not been able to control an assembly of one hundred and thirty (130) members, how will he control a body of nearly nine hundred (900) members (five hundred and ninety-six in the House and two hundred and seventy-four in the Senate)?

It is not believed that he will consent to be a mere figurehead in the State, as the Nationalists desire him to be, and leave the government to the Premier.

Yüan is an old-fashioned politician. He knows no language but his own, and is not particularly well educated in that. He is not polished, nor a man of refined tastes. He is amiable, patient, of few words, and of untiring energy. He has no confidants; he trusts nobody entirely. But he is a strong personality; he attracts men to himself and wins their affection. He is courageous and not overscrupulous, and when occasion requires he can strike swiftly and mercilessly, as in the case of Chang Cheng-wu last summer, not to refer to earlier illustrations of this trait. He is believed by many to be aiming at a military dictatorship and, perhaps, at an imperial crown.

These suspicions may do him injustice, but his past record is one to encourage distrust. The Manchus hate him as a traitor to their cause. The reformers of 1898 charge him with betrayal of the Emperor at that time and with engineering the coup d'etat of the Empress Dowager, the KUO MING TANG now see in his decoration of officers of the imperial army and in the choice of old time officials for his Cabinet, a reactionary tendency which betokens a betrayal of the Republic. Many papers are outspoken in criticism of him and the careers of the Napoleons I and III are adduced as illustrating the course of action likely to be adopted by him.

I report these suspicions because they are expressed in certain quarters, but the hostility to the President may be explained without acknowledging that they are well-founded. The jealousy of the southern revolutionists, who do not like to see an old imperialist at the head of the government, distributing the offices to his friends and supporters, is sufficient to account for the charges that are being made.

A certain amount of the opposition to Yüan is not directed against the man, however, but against the policy of a strongly centralised form of government, for which he stands.

THE PROVINCES AND PEKING.

Provincial feeling has always been strong in China. Patriotism has been parochial, rather than national, and the provinces, having broken away one by one as they did in the Revolution, from the control of Peking, are reluctant to surrender their independence.

In my No. 776, of this date, dealing with the Loan Negotiations, I have already spoken of the unwillingness of the provinces to surrender control of the revenues. It will doubtless be many months before this question can be adjusted, for the jealousy of the provinces towards one another and towards Peking is no less pronounced than was that of our own colonies towards each other and towards the federal government in our own early history.

The situation is made more difficult here by the existence of provincial armies controlled by the military governors of the provinces who are not eager to surrender their present power and profits. The Tutu or Military Governor of Kiangsi has, within a few days past, openly defied the authority of the President and refused to permit the Civil Governor, appointed by the latter, to enter the province. Troops were massed to prevent his assumption of the office and a large quantity of arms and ammunition shipped to the Tutu were seized by naval vessels acting for the President. There has been a conflict of authority in Shansi, also, between the Civil Governor, appointed by the President, and the Military Governor, ending in the flight of the former.

An attempt upon the life of the Civil Governor of Fukien was made at Foochow shortly after his arrival, on February 4th.

In the same province, a rebellion has been in progress for some months past in the prefecture of Hsing-hua, where a man claiming to be a descendent of the Ming emperors stirred up the opium growers to resist the authorities. This has been explained more fully in my report on Opium in China, enclosed in my No. 760, of the 4th instant.

At the beginning of February, a plot against the Vice-President of the Republic was discovered in Wuchang. A quantity of munitions was seized and two conspirators executed. Other conspiracies have been unearthed in Shanghai and Nanking. One leader was executed at Shanghai on February 13th, and a number of others at Nanking on February 22nd, and 23rd.

Northern Manchuria is over-run with bandits and a mutiny of the troops in the Chien-tao district occurred on February 6th. This last was quickly suppressed. Engagements with the bandits are of almost daily occurrence.

Honan is infested with robbers, and the authorities appear to be unable to suppress them. Cities that last year were considering the demolition of their walls are now repairing and strengthening them. A serious outbreak occurred recently in southwestern Shansi and a missionary, writing from Ho-tsin, says the people are weary of the Republic and are beginning to shave their heads and again grow queues.

The war with Tibet drags on in western Szechuen, where the Chinese troops have suffered severe reverses. Large numbers have deserted. Disorders have occurred also in Kueichou and in Shantung.

THE MONGOLIAN SITUATION

Of more serious import is the situation in Mongolia. Mr. Larsen, of the British and Foreign Bible Society, returned recently from Urga and reported that the Russians, with a consular guard of seven hundred men, were dominating the government of the Hutukhtu. Russians are drilling the Mongol troops and the latter are planning to raid the Chinese settlements in Inner Mongolia at the opening of Spring. Such action could not but have serious consequences, for the Chinese Government would be compelled to defend its own people and a conflict between Chinese and Mongol troops would probably result in the defeat of the Mongols, which miht call Russia to their assistance. Such a conflict, if it lead the Chinese over the border, would furnish all the excuse that Russia would need for attacking China.

Mr. Larsen's attitude on this visit to Peking is quite unlike that shown a year ago. Then he dwelt on the hatred of the Mongols for the Chinese and stated that seventy-two provinces had united in the conference at Urga which resulted in the declaration of independence. On this occasion, he dwelt upon the aggressive character of the Russians and said the Mongol common people preferred the Chinese to Russians and stated that the Hutukhtu's authority was recognized by the people simply because he was the religious head of the nation. He reports that Mongolia admits Russian goods free of duty, but collects a duty on Chinese imports. I do not mean to say that Mr. Larsen has, on either occasion, misrepresented the situation. Doubtless he realizes now, as he did not a year ago, what the encroachment of Russia means. He has also just been appointed by the President as Adviser to the Bureau of Mongolian Affairs. It is an excellent appointment, for he is a good man and knows Mongolia thoroughly.

I have the honor to be, Sir,

Your obedient servant,

(Signed) E. T. Williams

Chargé d'Affaires.

A true copy of the signed original. W.C.

Assassination of Mr. Sung and its affect on political circles

Sub. ....

Ref. Peking,

No. 796.

Ind. April 1, 1913.

800.

The Honorable,

The Secretary of State,

Washington, D. C.

Sir:

I have the honor to report that there has been considerable agitation in political circles for ten days past, due for the most part to the recent assassination of Sung Chiao-jen, who was Minister of Commerce and Industries in the first republican cabinet in Peking - that organized by Tong Shao-yi. When Tong resigned, Sung followed his chief into retirement, but has been very active in promoting the interests of the Kuo Ming Tang or Nationalist Party, of which he was the elected leader. He was credited with the authorship of the policy, advocated by that party, which demanded a responsible cabinet composed of members of the party or parties controlling the National Assembly. He had endeavored to have this policy adopted by the Provisional Government. President Yüan, it is alleged by Sung's friends, had repeatedly declared that he would not be President with Sung for Premier. The Kuo Ming Tang is now busily engaged in circulating certain reports of alleged occurrences, which, as circumstantial evidence, tend to fasten the crime of Sung's assassination upon the President and his cabinet. The whole country is excited by these reports and the prophets of evil are adding to the unrest by their predictions of impending trouble.

Mr. Sung had been attending a conference of his party at Shanghai and on the evening of the 20th of March he started for Peking in company with other members of the forthcoming National Assembly. While waiting to take the train at the Shanghai station, he was shot by one, Wu Fu-ming, who easily escaped in the excitement occasioned by the crime and took refuge in the French Concession. Mr. Sung was carried to the hospital in the international settlement where every effort was made to save his life. The wound, however, was fatal and he died the following morning.

On the 23rd instant, the assassin was arrested in the French Concession and confessed his guilt, stating that he had been hired to commit the crime by a Mr. Ying Kuei-hsing.

When report of the crime was telephoned to the Chamber of the Advisory Council, a friend who was present told me that the receiver of the message came in white and trembling and said, "This is Yüan Shih-k'ai's doing."

After the arrest and confession of Wu Fu-ming and his accusation against Ying Kuei-hsing became known, a chain of circumstantial evidence was woven which laid the guilt of instigating the crime at the door of no less a personage than the Premier, Chao Ping-chün, whose place, it is said, Sung was planning to obtain for himself.

The charge appears to me to be preposterous, but the alleged facts are as follows:

Previous to the outbreak of the Revolution, Ying Kuei-hsing was the chief of a secret society whose membership was composed very largely of ruffians. When the revolutionists captured Shanghai and Ch'en Ch'i-mei was elected Tutu, or Military Governor, the latter, in order to keep these ruffians quiet, appointed Ying Kuei-hsing Chief of the Secret Service.

Upon the arrival of Sun Yat-sen, Ying undertook his protection and subsequently when Sun became President of the Nanking Government, Ying asked him for office and was made an officer of his body-guard. In this post, he gave so much trouble by his intrigues and his squeezing that Sun was compelled to remove him. He was transferred to the Commissary Department at Hsia Kuan (the port of Nanking). There he gave more trouble and the general commanding ordered him to leave. This he refused to do, until General Wang drew his revolver and threatened to shoot him.

Leaving Nanking, Ying returned to Shanghai and organized a new society which terrorized the whole Yangtze Valley. Li Yüan-hung, at Wuchang, endeavored to have Ying punished, bgt the Tutu of Kiangsu interceded for him and, upon his promising good behavior, Ying was released.

leased. Ying has a friend in the Ministry of the Interior, named Hung. The Minister of the Interior is the Premier, Chao Ping-chün. Hung had Ying come to Peking and secured for him an appointment as a secret agent of President Yüan at Shanghai. In November and December, 1912, he came back north and spent some time in the yamen of Feng Kuo-chang, the Military Governor of Chihli, at Tientsin. Governor Feng is one of the most trusted friends and supporters of President Yüan.

Subsequently Ying returned to Shanghai where he claimed to be a member of the Kuo Ming Tang, or Nationalist Party. He was, however, merely a spy in the service of the Central Government. For months past the questions of the election of a President, the adoption of a constitution, and the formation of a cabinet have been discussed with a great deal of acrimony. Sung was known to be a candidate for the Premiership and, as intimated above, was one of the ablest men in the Nationalist ranks.

In the report that Yüan had said that he could not accept the presidency if Sung were to be made Premier, the Nationalists are trying to find the motive for Sung's assassination.

The accusation that the Premier authorized Ying to remove Sung provoked the Premier two days ago to offer his resignation to the President. The Minister of Finance is also believed to have offered his resignation. It is reported this morning, unofficially, that these resignations have been accepted, byt the report requires confirmation.

Hung, the assistant in the Ministry of the Interior, who introduced Ying, on learning of the arrest of the latter ran away from Peking. Yesterday he was said to have been arrested in Shantung with a considerable sum of money and some incriminating documents on his person. This morning the report is current that he has been released.

Wu Fu-ming and Ying Kuei-hsing last week had preliminary hearings in Shanghai; the former in the French Concession, the latter in the International Settlement. Wu confessed, as stated above; Ying was remanded for one week and was to have been brought up for trial yesterday.

The Diplomatic Representatives met yesterday afternoon to consider the request of the Chinese Government that the accused persons be handed over to the Chinese authorities for trial. After a careful consideration of the provisions of the treaties and precedents bearing upon the case, the Dean was instructed to reply as follows:

> "The Dean has the honor to acknowledge the receipt of the Wai Chiao Pu's letter of the 27th March with reference to the murder of Sung Chiao-jen, in which it was requested that the murderer, Wu Fu-ming, and others, together with Ying Kuei-hsing and all the witnesses, should be remitted to the Chinese authorities on the ground that the crime was committed on Chinese territory and that the guilty parties and the victim were all Chinese subjects.
>
> "The Dean is authorized by his Colleagues to state, in reply, that Wu Fu-ming is in the hands of the authorities of the French Concession at Shanghai and that his case should be treated separately with His Excellency the French Minister. As to Ying Kuei-hsing, who is in the hands of the authorities of the International Settlement, the Dean is instructed to say that the Diplomatic Body have no objection to his being handed over to the Chinese authorities, provided that a prima facie case of his guilt is established to the satisfaction of the Mixed Court of the International Settlement."

The statements implicating the Central Government in the crime are those circulated by the members of the

Nationalist Party and are to be received with caution. Sung's friends declare they are prepared to prove them at the trial, but it is remarkable that, despite these charges, the men who make them say they will vote for Yüan for President. They declare, however, that they propose to limit his powers. They appear, in fact, to be taking advantage of the unfortunate assassination of Sung to bring the President to terms and, true to Chinese character, the President is reported to be yielding. It is stated on the authority of prominent members of the Nationalist Party that a compromise will be effected, and that Huang Hsing will be accepted by the President as Premier.

It seems incredible that the President could have had any knowledge of the plot to assassinate Sung, since he could not have deceived himself into believing that such an attack upon the leader of the opposition would not at once place the Government under suspicion and weaken his hold upon the country. He has proved himself an astute politician in the past and could undoubtedly have compassed Sung's defeat without resorting to such measures. It is not impossible, however, that some over-zealous follower of Yüan may have thought he was aiding the President's cause by planning such a crime. Assassination has been a favorite weapon of the discontented in China from very ancient times, and many of the heroes glorified by the historians are the assassins who have lost their lives in efforts to remove a tyrannical ruler or a national enemy.

But it is not at all necessary to implicate any of Yüan's followers in order to account for the murder of

Sung. In my No. 772, of March 11th, I pointed out that the Nationalist Party is a conglomeration of a number of small parties. The leaders of these small parties are not free from jealousy, one of another, and it is reasonably sure that they are not agreed upon the policies advocated by Sung.

Jealousy aroused by his ascendancy in the counsels of the party would account for the attack upon him and the resort to such a crime is not at all surprising when one reflects that the revolutionists for years past have preached and practiced assassination. They must expect to reap what they sow.

The REPUBLICAN ADVOCATE of Shanghai threatens that Sung's death will be avenged by a reign of terror more frightful than that of the French Revolution. But such talk is easy under the protection of the foreign settlement of Shanghai which has always been a city of refuge or, more properly speaking, a cave of Adullam for conspirators against the government, whether it be Manchu Monarchy, or Chinese Republic. But, while there may be no reign of terror at hand, there is undoubtedly too much talk on the one side of bomb-throwing and assassination, and too much disposition on the other side to resort to summary execution to get rid of dangerous opponents; and it is quite true that leaders of both sides are in constant dread of attack.

The Minister of Foreign Affairs receives threatening letters every day and the President has left his residence but two or three times since his inauguration and has had the streets heavily guarded when he went out.

He is preparing to move next week to the West Park, a portion of the city formerly reserved for the Imperial household, just west of the Forbidden City, and containing the palace, incorrectly called by foreigners the "Winter Palace," which was occupied usually in spring and autumn by the Manchu Court. The Park is divided into two sections, each surrounded by a lofty wall, except where the dividing street crosses the Park lake by a beautiful marble bridge. This bridge is now disfigured by extending the brick wall across it in order to shut off the view of the President's palace and protect it from attack.

The really serious feature of the situation is that the peace of the whole country seems to depend upon this one man. Even the Nationalists seem to have no one to present as a candidate for the Presidency. Sun Yat-sen has declined and in any case would probably be unable to govern the north. Huang Hsing would probably accept the post if offered, but he has never shown any ability but that of an agitator and would be even less acceptable to the north than Sun, because he is believed to be unusually corrupt. Should he become Premier, as some anticipate, it is doubtful if he will be able to continue long in the position. With such a lack of men of national calibre, what would happen to the country if Yüan were to be taken away? I can anticipate nothing but chaos. If foreign intervention could be prevented, there would undoubtedly come in due time the strong man who could and would restore peace and order, but time would be indispensable to the accomplishment of such a result.

The only hope for the preservation of order, it seems to me, is in the continuance of Yüan Shih-k'ai in power. If he should be spared, there is a possibility that the Republic may last and that the establishment of representative government may in time bring into prominence men of large mould, real statesmen, who can command the allegiance of the nation.

The recognition of the Republic by the foreign powers would undoubtedly do much to strengthen Yüan in the eyes of the people and in the estimation of the forthcoming National Assembly, and thus tend to quiet the prevailing unrest and the ever-present fear of disorder. There is no other government contending with his for recognition and he has no rival for the Presidency worthy of mention. Therefore, in my telegram of March 28th, I have recommended immediate recognition by the American Government. It is not that I believe Yüan to be an ideal President or a brilliant statesman, but simply that, in my opinion, the only choice lies between Yüan and chaos, and that the sooner we recognize his government, the better it will be for China and for American interests in China.

I have the honor to be, Sir,

Your obedient servant,

(Signed) E. T. Williams

Chargé d'Affaires.

800.

A true copy of the signed original.

Ack by Dept.
5/9/13

Sub. Political situation.

Ref. Peking,

No. 807.

Ind. April 11, 1913.

800

The Honorable,

The Secretary of State,

Washington, D. C.

Sir:

I have the honor to report upon the political situation in China as follows:

The members of the Senate and House of Representatives, recently elected and constituting the first National Assembly of China, met in joint session on the morning of the 8th of April to celebrate by appropriate ceremonies this inauguration of representative government in China.

The ceremonies were held in the hall of the House of Representatives, one of the buildings of the former School of Finance, which had been altered and refitted for the purpose.

The hour fixed for the commencement of the exercises

was 11:00 a.m.

was 11:00 a.m., but by 9:30 o'clock every seat in the galleries was taken and all standing room occupied by the crowd of visitors, although admission was by ticket only. Many of these visitors were foreigners, chiefly Americans. The city was gaily decorated with flags and at the beginning of the ceremonies one hundred and one guns were fired in honor of the event.

There was some uneasiness in the city for several days preceding the meeting and there were some wise-acres who predicted trouble. It was not surprising, therefore, to find the police rëinforced by troops and the city wall, facing the Assembly Halls, occupied by soldiers.

There was considerable speculation as to whether or not the Provisional President would attend the ceremony. Both the President and members of the Assembly had inquired, some days beforehand, of the American and French Legations whether the Presidents of these republics opened their respective national assemblies, and when it was learned that this was not the practice the President took the position that such a duty did not devolve upon him, that it was only in monarchical countries that the head of the State opens the national parliament, and in any case since he was but a provisional President it was not proper for him to take such action. The members of the Assembly on the other hand held that since the occasion was unique, a celebration of the inauguration of popular government, the Provisional President could do no less than come in person to show his recognition of the importance of the event, though some believed that he should come merely as a visitor.

He did not attend, but the real reason for his absence is generally believed to have been the fear of assassination. He sent as his representative Mr. Liang Shih-yi, his secretary, who brought with him a written message from President Yüan. A caucus of the political parties was held before the opening of the Assembly and it was decided that the message should not be read.

When the hour arrived for the beginning of the exercises, seven Ministers of the Cabinet filed in and took seats on the dais, and the chairman of the committee in charge of the programme, who acted as master of ceremonies, called the Assembly to order. There were six hundred and eighty-two members in attendance; that is to say, one hundred and seventy-nine senators out of a total of two hundred and seventy-four, and five hundred and three representatives out of a total of five hundred and ninety-six.

By agreement of the political parties at a meeting held on the 6th of April, it had been decided that the oldest man in the Assembly should take the chair. The honor thus came to Mr. Yang Ch'ung, a senator from Yünnan. He called upon the secretary of the Advisory Council (Provisional Assembly), Mr. Lin Ch'ang-min, to read an address which had been drawn up by a committee appointed for that purpose at the inter-party caucus on the 6th instant.

A translation of this address was telegraphed to the Department at your request on the 10th of April. The address is written in classical style and is full of literary allusions which can be recognized only by the initiated, since there is no acknowledgement and no indication of dication of quotation. In other words, the document is a mosaic of phrases culled from classical writings, every one of which to the Chinese scholar is full of meaning because he is able to recall the context. For instance, the opening sentence: "The Will of Heaven is manifested through the will of the people," in the original consists of eight words only and is a condensation of a passage in the book of Mencius which is itself a quotation from the Book of History, the oldest extent writing of the Chinese, a passage which reads: "Heaven sees as the people see; Heaven hears as the people hear." It has been impossible, therefore, in the translation made of the address, to convey to the non-Chinese reader the wealth of meaning which it contains.

After the reading of the address, the President's representative, Mr. Liang, was called upon to carry to the dais the message of which he was the bearer and lay it upon the speaker's table.

The chairman then asked the Cabinet Ministers to descend to the floor of the House and, led by the master of ceremonies, the whole Assembly bowed in unison three times to the five-colored flag, the emblem of the Republic, draped behind the speaker's chair.

The exercises were interspersed with music furnished by a military band in the garden and the whole ceremony was dignified and impressive.

The members of the Assembly were, with a very few exceptions, dressed in western costume - black frock coats and silk hats - in striking contrast to the mass of brilliant colors which always characterized a Chinese crowd in the old days.

Had it not been for the reported intention of the American Government to recognize the Chinese Republic on the 8th of April, it is doubtful whether the Assembly would have opened on that day. The knowledge of such intention was obtained from the press telegrams which appeared in the papers here the day following your confidential telegram of April 2, 5:00 p.m. The legations here were promptly informed by their respective governments of the contents of the aide memoire handed to their representatives in Washington by the Department. This report speedily became the topic of the hour.

When your cipher telegram of April 2, 11:00 p.m. was received, I called upon the Speaker of the Advisory Council (Provisional Assembly) to learn his opinion of the probability of opening the Assembly on the date previously announced. He expressed the opinion that the opening ceremonies would be held but did not believe that there would be a quorum of the Senate present. He said that some two hundred members of the Assembly were still in Shanghai, where they had halted on their way to Peking because of the assassination of Sung Chiao-jen. He was very happy over the prospect of recognition by the United States of the Republic of China, and I pointed out to him that if he entertained such a hope it was most important that the Assembly should convene on the date announced. He promised to urge such action upon the members and said he would telegraph absent members to expedite their coming.

Two conferences of the four political parties were held to discuss the question and finally, on the 6th of April, it was resolved to carry out the programme as originally planned. One thing that influenced them very much was the fear that if the Assembly did not meet and the American Government should nevertheless recognize the Republic, it would be taken by the people as a recognition of Yüan Shih-k'ai and his government rather than of the Republic.

When the Assembly learned, therefore, that recognition was not to be accorded until the Assembly should be organized, there was great elation among its members.

At a dinner given by the Cabinet to members of the Assembly, on the night of the 8th of April, the President's secretary, Mr. Liang, made a speech in which he referred to the prospect of recognition by the United States and expressed the hope that nothing might occur to unduly delay it. To this speech, Mr. Wu Ching-lien, Speaker of the Advisory Council, replied saying that the intention of the American Government to recognize the Republic was fully appreciated by the members of the Assembly and that nothing was going to be done to hinder it, but that he desired to point out that the United States was simply waiting for the organization of the Assembly and that this fact was plain proof that the United States did not propose to recognize a one-man government, but a government by the chosen representatives of the people.

On the night preceding the opening of the Assembly, the private secretary of the Minister of Foreign Affairs called upon me to inquire whether or not I had received instructions that the Republic was to be recognisdd by the American Government the next day. Your cipher telegram of the 6th instant was just being decoded and I informed him that if the Assembly should convene with a quorum and organise for business by the election of officers, recognition would be promptly accorded. He informed me that each house had a quorum in the city, but feared the election of officers could not take place at once. He showed me an elaborate programme arranged for the 8th in anticipation of recognition and regretted that it could not be carried out. I also expressed regret, but pointed out that my instructions were very plain and definite. He called again late at night and subsequently a telephone message came from the Minister of Foreign Affairs expressing the hope that the presence of a quorum of each house at the opening ceremonial might be taken as compliance with the condition laid down in your instruction. To this, of course, I could not assent.

On the night of the 9th instant, the Legation was orally informed that the Brazilian Minister in Japan had communicated to the Chinese Minister there the formal recognition by his government of the Republic of China. This information was officially communicated to the Legation on the 10th instant. In honor of the event, April 12th has been declared a public holiday, the city is to be decorated with Brazilian flags, the public schools are to be closed, and a general celebration is to be had. The Legation was orally informed last evening that Peru also had recognized the Republic, the information having been communicated by cable from Lima.

I can not

I can not but feel that this action of Brazil and Peru is probably based upon a misunderstanding of the situation here. Neither government has a representative in Peking, and having learned of the intention of the American Government to recognize the Republic on April 8th, upon the meeting of the National Assembly, and having learned of the formal opening of the Assembly, they have probably concluded that recognition by the American Government has already taken place and have thought that they were following our lead in according the recognition given. The Mexican Chargé d'Affaires, as stated in my telegram of April 8, 7:00 p.m., has received instructions to act with this Legation and has fully explained to his government the cause of the delay in giving recognition. The Ministers of Italy, the Netherlands, and Belgium have all expressed to me their desire to have the Republic recognized at an early date by their respective governments, but have recommended to their foreign offices to withhold such recognition until the election of a President.

Since the ceremonial opening of the Assembly there has been no session of either house, but numerous conferences of the political parties have been held. These are apparently aiming to form coalitions to control the elections and divide the offices. It is intended to have an informal joint meeting of the two houses tomorrow to agree upon a course of procedure, and it is now thought that balloting for the election of officers may begin on Monday.

No one party has a majority in either house, but the Kuo Min Tang or Nationalist Party has a plurality in the

House of Representatives. This is the party of which Sung Chiao-jen was the leader and is composed of the most progressive elements of the Republic. The majority of its members are not in sympathy with the policies of the Provisional President and would like to see him replaced by some one whose republicanism is less under suspicion. Until the murder of Sung Chiao-jen occurred, there seemed no hope of electing any one but Yüan as President, but the discovery of certain correspondence which seemed to connect the Peking Government with the assassination created not only in the ranks of the Nationalists but in other parties as well, a feeling of bitter hostility to Yüan Shih-k'ai.

The trial of the assassins in Shanghai has been conducted in camera and it is impossible to learn how well grounded are these suspicions of Yüan. The Chinese, however, are not disposed to weigh evidence very carefully and are apt to draw hasty conclusions.

I fail to see any reason why the Peking Government should want to instigate such a crime. It had little or nothing to gain by it and everything to lose. On the other hand, the radical party, the Nationalists, to which Sung belonged, contains a large number of assassins and would-be assassins, who have preached and practiced the policy of assassination for years past. It is not improbable that the incriminating documents may be found to have no real connection with the murder. Nevertheless, it must be admitted that there are some ugly facts which cannot be explained away. Among these are the employment by the Peking Government of Ying Kuei-hsing and Hung Shu-

chu, who were

who were well known to be men of disreputable character. The former is charged with having hired the assassin to commit the crime and the latter was employed in the office of the Premier and is said to have handled for him considerable sums of money. But whether the charges against the President and the Premier be true or false, the effect upon the fortunes of Yüan Shih-k'ai has been disastrous. The Nationalists have seized the opportunity to work up a strong opposition to his election to the Presidency.

As pointed out in my confidential telegram of April 6th, an attempt was made to unite the Kuo Min Tang and the Kung Ho Tang in a programme for the election of the Provisional Vice-President, Li Yuan-hung, to the Presidency. Whether this will be done or not is too soon to forecast. Much dickering and wirepulling are going on in all parties.

The President has entertained most of the members of the Assembly and is exerting himself to win their favor. He has an attractive manner and possibly may not be employing any unworthy means, but the opposition accuse him of using money in a shameless way and this indeed is not impossible, since it is a method only too common under the old regime, with which he was identified.

It is reported that a considerable number of the members of the Kuo Min Tang are ready to desert the party.

One thing which makes any forecast of the result so difficult is that a number of the members of the Assembly belong to two or more of the parties and sometimes work with one and sometimes with another. These parties are really secret societies and for this reason, too, their plans are difficult to discover.

Some of the most radical members of the Kuo Min Tang, as stated above, remained in Shanghai. The three principal leaders of the party, Dr. Sun Yat-sen, General Huang Hsing, and General Chen Chi-mei, are all there and, according to the information given the Legation by the Consulate-General, they are bitterly opposed to the election of Yüan Shih-k'ai. The feeling the south, indeed, has become so hostile recently that there is talk of a partition of the country.

Yesterday the Legation received a telegram from the Consul-General at Hankow reporting the discovery there of a wide-spread conspiracy to capture Vice-President Li, organize the southern provinces, and attack Yüan Shih-k'ai. The Japanese Legation is informed that a hundred executions have taken place, one of the conspirators put to death being a brigade commander. The press despatches confirm the reports of trouble and of a large number of executions. Troops have been moved to Hankow from points along the Peking-Hankow Railway. The latest reports indicate that Li Yuan-hung has complete control of the situation. It will appear from this that he, at least, has no sympathy with the attempts to divide the country, but I have been unable to learn as yet whether he is willing or not to be a candidate for the Presidency against Yüan.

The palace in the Western Park, commonly but incorrectly called the "Winter Palace", has recently been repaired for the use of the President and his office. He announced that he would move in on the 6th instant, as reported in my confidential telegram of April 6, 11:00 a.m. In reality, he moved into the palace during the night of the 5th instant. The large park surrounding the palace has been divided into two sections by a brick wall built on the beautiful marble bridge, greatly disfiguring the latter. A famous temple at the east end of the bridge, overlooking the palace park, is converted into barracks, and the palace buildings themselves have been deprived of much of their beauty by an attempt to westernize them. The carved lattices have been torn out and replaced by very incongruous European doors and windows.

It is painful to note the tendency of the republican Chinese to abandon the best things of their own characteristic civilisation.

It is interesting to recall that the palace now occupied by President Yüan Shih-k'ai is that in which the late Emperor Kuanghsü was imprisoned after the coup d'etat of the Empress Dowager in 1898, brought about by the betrayal of the Emperor by the Viceroy Yüan Shih-k'ai.

I have the honor to be, Sir,

Your obedient servant,

(signed) E. T. Williams

Chargé d'Affaires.

800.

A true copy of the signed original. NOF.

Political situation-

Sub. ....

Peking,

Ref. May 16, 1913.

Ind. ....

No. 858

800

The Honorable,

The Secretary of State,

Washington, D. C.

Sir:

Referring to my despatch No. 841 of May 6, 1913, in which mention was made of the attempts of Dr. Sun Yat-sen, General Huang Hsing and General Ch'en Chi-mei to raise a rebellion against the present Peking Government, I have the honor to report further upon the political situation in China.

There can be no doubt whatever as to the truthfulness of the charges made against the three revolutionary leaders just mentioned.

The manifesto of Dr. Sun Yat-sen against the loan, issued on May 6th, of which a copy is enclosed, is itself

evidence

Political situation-

Sub. ....

Peking,

Ref. ....

No. 838

May 16, 1913.

Incl. ....

800

The Honorable,

The Secretary of State,

Washington, D. C.

Sir:

Referring to my despatch No. 841 of May 6, 1913, in which mention was made of the attempts of Dr. Sun Yat-sen, General Huang Hsing and General Ch'en Chi-mei to raise a rebellion against the present Peking Government, I have the honor to report further upon the political situation in China.

There can be no doubt whatever as to the truthfulness of the charges made against the three revolutionary leaders just mentioned.

The manifesto of Dr. Sun Yat-sen against the loan, issued on May 6th, of which a copy is enclosed, is itself evidence of his feeling towards Yüan Shih-k'ai and of his belief at that time that civil war was impending. But the only people who were disposed to make war were those dissatisfied with the government of Yüan; that is to say, the partisans of Dr. Sun.

Despite Dr. Sun's recent denial, reported by Dr. Wilder in his No. 651 of May 7th, of any intention to raise a rebellion, the interview which he had with Bishop Bashford on May 1st, a report of which was forwarded to the Department on the 6th instant, shows conclusively that he was contemplating such action. But Bishop Bashford is not the only one to whom Dr. Sun spoke in this strain. The plotting of the conspirators, in fact, was so open that the whole country was aware of it.

The native papers of Shanghai, protected by the location of their offices in the foreign settlement there, were so incendiary in their attacks upon the Government that the Municipal Council of the International Settlement issued a warning notice on May 1st to the effect that persons guilty of writing or printing such seditious publications would be arrested and imprisoned. I enclose a copy of the notice. Whether or not the Council has exceeded its powers in issuing such a notice remains to be considered.

A public meeting held in the Settlement on April 27th under the auspices of the "Blood and Iron Association" was of such a character as to call forth a protest from the Chinese Central Government, communicated to the Diplomatic Body by the Foreign Office in a note dated May 5th, of which a copy is enclosed. This note was considered by the Corps on the 14th instant at which time it was decided to send a copy to the Senior Consul at Shanghai with instructions to the Consular Body to take appropriate action, and to reply to the Foreign Office that the Consular Body had been instructed to watch the proceedings of the "Blood and Iron Association," in order to avoid any disturbance of public order. The vagueness of these communications is intentional and due to the unwillingness of certain Ministers to commit themselves definitely upon the questions involved.

With respect to the activities of Dr. Sun, General Huang, and others, it is reported upon perfectly trustworthy evidence that General Huang approached a reputable German firm in Shanghai with the object of purchasing arms and ammunition. The Central Government having some time previously notified all the Legations that all purchases of arms and ammunition must first be approved by it, the firm in question telegraphed to Peking for such approval. In this way, the Central Government learned of the proposal and prevented the sale. The Shanghai-Nanking Railway authorities were also sounded by the conspirators as to the possibility of using that line for the transport of troops, etc., from Shanghai to Nanking.

Mr. Cheshire, Consul-General at Canton, reported in a confidential despatch, dated April 24, 1913, a copy of which was forwarded to the Department, that efforts had been made to purchase arms and ammunition of a German firm delivery to be made at sea in close proximity to either Hongkong or Macao. The situation became so critical that troops were moved by the President down the Tientsin-Pukow Railway to the vicinity of Nanking, and over the Peking-Hankow Railway to Hankow, where at present it is estimated there are not less than 40,000 men of the northern army.

A telegram received yesterday from the Consul at Chefoo states that the Chinese Fleet is assembling there, that six cruisers had already arrived and that four more were on the way. This movement is probably intended to prevent disaffection in the Navy.

The Military Governor of Shantung was in Peking two days ago and called upon me. He is an ardent supporter of the President and stated that General Chang Hsün, whose troops are in Shantung, had declared his willingness to die for Yüan, and had intimated little respect for other republican leaders. This is the general whose support is claimed by the Manchu conspirators and whose troops are said to be still wearing the queue.

On May 2nd the President issued a proclamation, of which a copy is enclosed, giving fair warning that so long as he was President he would enforce the law for the suppression of disorder. He also issued orders to the Military Governors to take appropriate measures. On May 7th another proclamation was issued, addressed to the Army, aiming to prevent disloyalty among the soldiers.

The common people take no interest in politics and the mercantile community is decidedly opposed to any further disturbance of the peace. The Chambers of Commerce in various cities sent telegrams to Peking protesting against the plottings of these promoters of a second revolution. In response to these appeals the President, on May 13th, issued a third proclamation, of which a copy is enclosed, promising due protection and holding Civil and Military Governors responsible for the preservation of the peace.

It was only after Dr. Sun and General Huang learned that the people were not with them; that money would not be forthcoming for the support of the movement, that they declared they had no thought of creating a revolution.

Dr. Sun's attitude toward Peking has been in doubt for some months past. That of his associate, General Huang Hsing, has been more evidently hostile to Peking ever since he found that he could not handle the funds of the Hukuang Railways, although Director-General thereof.

Certain letters unearthed in connection with the murder of Sung Chiao-jen revealed the fact that Huang has been busy trying to create disaffection among the troops in Kiangsu, Anhui, and Chekiang.

It is interesting to note that Dr. Sun, as reported in the interview with Bishop Bashford, appeared to be relying upon Japan for assistance.

A leader of the Manchu party who called upon me previous to American recognition of the Republic to plead for delay in granting such recognition on the ground that the empire would soon be restored, showed similar faith in Japan; claimed that the Japanese were fully informed as to the plans of the Manchus and would support them. It is also true that Japan is a member of the Quintuple combination and as such is a firm supporter of President Yüan Shih-k'ai. Thus the three parties are all looking to Japan for assistance.

The movement for a separation of the southern provinces from the Republic is not altogether new. In fact the union of the Nanking government of 1912 with that of Yüan Shih-k'ai or rather its absorption by the government of Yüan was never to the liking of certain revolutionary leaders. Some saw the perquisites of office slipping from their grasp; others of a higher character distrusted the conservative leaders of the north and did not believe that political reforms were to be expected under such leadership. They have been particularly displeased by the appointment to high office of so many old-fashioned mandarins of the Manchu regime. The foreign-educated Chinese of the south have seen with chagrin that the government is being carried on under the Republic in very much the same way and to some extent by the very same men as under the monarchy. Even before the Sung Chiao-jen murder occurred there was serious talk of an attempt to organize another government at Nanking. The Kuo Min Tang, or Nationalist Party, which is opposing Yüan, called a meeting of its leaders at Shanghai before the meeting of the National Assembly at Peking. Predictions were freely made that the representatives of the south would not come to Peking and that a division of the country would be made. Happily, wiser councils prevailed. But the murder of Sung and the signing of the Quintuple Loan gave the discontented further opportunities for agitation of which they were not slow to avail themselves.

For two weeks past the situation has been critical. The danger is not entirely over, but matters are slowly improving.

The firm support given to Yüan Shih-k'ai by Vice-President Li Yüan-hung, who refused the bait of the Presidency offered by the agitators, and who has placed Hankow and neighboring cities in possession of the northern army did much to disconcert the movement. Even Kuangtung, Dr. Sun's own province, refuses to support him. The American Consul-General at Canton, on May 5th, reported to the Legation that the commercial element there had taken no active part in the protest made against the signing of the loan and would oppose strongly a counter revolution of any action by those who are politically ambitous to bring about any further trouble in the interior. On May 7th the same Consul-General telegraphed to the Legation that the Military Governor at Canton, despite his criticism of the loan at a public meeting, would support the Central Government as would also the general commanding the troops there.

So long as the mercantile classes hold to their attitude of opposition to civil war there can be no successful attempt to overthrow the present government, This is well known to Dr. Sun and, taken with the announcement of the Municipal Council of the International Settlement at Shanghai, mentioned above, that agitators would not be allowed to use the Settlement for the publication of slanderous attacks upon the Government, may be said to have dampened very considerably the ardor of the conspirators.

In addition to this general movement in the south to create another revolution, there have occurred certain minor disturbances which are of a local character. The rebellion in southern Fukien, referred to in my report on Opium in China, forwarded with my No. 760, of March 4th, is still in progress and at last accounts the Ming Pretender had won a victory. This movement, however, can not be considered to be of any great importance. Small bodies of men only are engaged and without greater financial assistance than the rebels are likely to obtain they can only succeed in ruining themselves. The movement had its origin in the opposition of the poppy planters to the Government's anti-opium policy. The poppy for the most part has been uprooted and the hope of harvesting the crop having been taken away there seems to be little reason for continuing the struggle.

The troubles in Kiangsi, reported on page 12 of my No. 772 of March 11th, are still unsettled. The Military Governor maintains an attitude of hostility to the Central Government, but the Consul-General at Hankow is informed that the people of the Province do not support him in this attitude and that his own soldiers are indifferent. A telegram received this morning from Consul-General Greene states that two steamers of the China Merchants Steam Navigation Company are reported to have been chartered to take troops from Hankow down the river. These troops may be intended to restore order in the adjoining Province of Kiangsi, although an attaché of Vice-President Li declared that they would not cross the border of Hupei.

The war on the eastern border of Tibet drags along and there are movements of troops also towards Mongolia,

but there is

but there is some prospect of an adjustment of the Mongolian question by an arrangement with Russia which will remove Inner Mongolia, Kokonor, Kobdo and all but a portion of Outer Mongolia, in the vicinity of Urga, from the operation of the Urga Convention. A well-informed Chinese gentleman gives the proposed southern boundary of autonomous Outer Mongolia as following the 49th parallel of latitude from Longitude E. 95 to 100, the 47th parallel from E. 100 to 113, and the 48th parallel from E. 113 to 117. It is also stated, though I am as yet unable to confirm the report, that China will be allowed a resident at Urga with control of the foreign relations of the Mongol Government. Recent reports from Urga received here seem to indicate, however, that the outlook is not quite so hopeful as some would have us believe. A Manchu prince was said to be in Urga endeavoring to persuade the Hutukhtu to form an alliance with the Manchus, invade north China and re-establish the Manchu Empire with Mongolia in its old relation of a dependency thereof. The former Manchu Governor-General of Shensi and Kansu, Sheng-yün, was also said to be in Urga and holding office there and the Dalai Lama of Tibet was reported to have promised troops to assist in the conquest of Turkestan where, it was expected, the Mohammedan Turki would give their assistance for the overthrow of the Chinese. I am inclined to think, however, that very little credence need be given to rumors of Manchu activity, since the Manchus apparently prefer to plot at a safe distance and to be quite unwilling to risk their lives.

Mongol movements are chiefly of importance as indicating Russian designs, and, if China can come to some agreement with Russia, the Republic need not worry about the attitudd of the Mongols.

The lack of efficiency shown by the National Assembly is the subject of much unfavorable comment. Since the election of officers neither house has passed a single important measure and absolutely nothing has been done towards the accomplishment of the work for which they have been especially convened; that is to say, the adoption of a constitution. The whole time has been frittered away in party strife. The Kuo Min Tang, the party of the opposition, has endeavored to discredit the reorganization loan recently concluded with the quintuple group of bankers. They insist that the contract should first have been submitted to the Assembly for approval. They are disposed to take the same position with regard to the lesser loan made with certain Austrian bankers.

Both houses have taken the position that a quorum means a majority, not of the members already enrolled, but of the total possible membership under the allotment made by the late Advisory Council. Since the full number has never been elected and some elected have not yet arrived in Peking, and since the two rival parties are so nearly equal in strength, it becomes possible at any time for the minority to prevent the holding of a session by absenting themselves. This is done day after day by the Chin Pu Tang or Government party. This party indeed is supposed to have a majority in the House of Representatives, but it is a composite party whose constituent elements are not thoroughly amalgamated and some of whose members have taken sides with the Kuo Min Tang on the loan question. Until this question is settled it seems impossible for any progress to be made in the constructive work of the Assembly.

I have the honor to be, Sir,

Your obedient servant,

(Signed) E. T. Williams

Chargé d'Affaires.

Enclosures:

As stated.

800.

A true copy of the signed original. W.

1.- Dr. Sun's Manifesto, re loan
2.- Attached
3.- Dip. Cir. No. 92.
4
5 } - Attached.
6

Sub. Political situation

Peking,

No. 882

Ref. June 3, 1913.

Ind.

800

The Honorable,

The Secretary of State,

Washington, D. C.

Sir:

I have the honor to report that the political situation has not greatly changed since my despatch of the 23rd ultimo. Several events of a sinister character have occurred however.

On May 24th General Hsü Pao-shan in command of a considerable army with headquarters at Yangchow - on the Grand Canal, twenty miles north of Chinkiang - was killed by an "infernal" machine. A supposed curio dealer, knowing General Hsü's fondness for antiquities had called upon him several times and shown him various articles and, I believe, had made several sales. After gaining, in this way, the confidence of the General's household, he appeared on the 23rd with a box which he said contained a curio that he wanted to show General Hsü. The latter, according to one account was out; according to another, was asleep. He therefore left the box with a key for unlocking it. When General Hsü appeared it was given to him and he immediately proceeded to open it with the result that a terrific explosion took place which killed the General and one servant, and seriously wounded another person. The assassin at last accounts had not been found. The President, on learning of the crime, appointed a brother of the murdered man to the command of his forces. General Hsü Pao-shan was a notorious character. He was commonly known as "Tiger Hsü." For many years he was a brigand and salt smuggler and a terror to the salt administration of the Liang Huai. Since he was able to sell salt at a lower price than the Gabelle, the people looked with favor upon him and even many of the salt officers connived at his smuggling and shared in the profits. His fleet of boats at last became so large and his following so numerous, that the Manchu Government, instead of attacking him, bought him off, gave him a general's commission and enlisted his whole force.

When the Revolution, however, had destroyed the authority of the Manchus in the lower Yangtze region, General Hsü immediately seized control of the salt administration of the Liang Huai and retained it until his death. When asked to turn it over to the republican authorities he refused and the very considerable revenue of the Gabelle was used by him to enrich himself and to pay his troops. Probably from motives of policy, the Peking Government has winked at this usurpation of authority and misapplication of revenues, being anxious to retain General Hsü and his army in support of the President. His assassination is charged by some to the advocates of a second revolution who are supposed to have aimed, by this crime, to weaken President Yüan's control of the region held by Hsü's army; by others the murder is thought to have been instigated by the Peking Government, anxious to recover control of the salt revenue.

Although he was himself a lawless character, he had the reputation of preserving good discipline among his troops and good order in the districts under his control.

The use of the bomb as a political weapon in China began in 1905 when an attempt was made at the railway station here in Peking to murder Duke Tse and Commissioner Tuan-fang as they were about to start on their tour of investigation in western countries. Since that time, bomb-throwing has become gradually more and more common. Many young men and women of the student class have become expert in the manufacture of these weapons and today there are several societies of avowed assassins whose members are pledged to attempt the murder of such political opponents as may be designated.

In my No. 870 of May 23, 1913, I reported the arrest in this city of two groups of these assassins. Since that date many others have been arrested and shot. The Government opposes to the secrecy and murderousness of the assassins a method just as secret and terrible. Peking is filled with detectives. New arrivals at the railway stations are noted and watched; in many cases their baggage is searched. A suspect is promptly arrested and handed over to a military tribunal. The trial is brief and secret. Few of those arrested ever appear again. It is said that they are shot. Between one and two hundred executions are believed to have taken place within the past two weeks. Such trials are, of course, illegal but only once has there been any criticism of the procedure in the National Assembly. The answer to the criticism was that bomb-throwers, being possessed of military weapons, must be reckoned as belonging to the military and, therefore, subject to the jurisdiction of courts-martial.

A high official of the Government, whose attention was called to the matter, put the question aside with the observation that such people deserved no consideration. He refused to admit the terrible possibility of the execution of innocent persons, perhaps the victims of informers covetous of rewards, or of personal enemies desirous of revenge.

Referring to my confidential telegram of May 28, 11:00 a.m., I have the honor to state that the report therein made of attempts by the Japanese and Russian Consuls-General at Hankow to induce the Vice-President, Li Yüan-hung, to be a candidate for the Presidency against Yüan Shih-k'ai has been confirmed by officers of the Government here. A party of Japanese peers has been visiting China and, previous to their journey up the

Yangtze to

Yangtse to Hankow and thence to Peking, they are known to have seen much of Dr. Sun Yat-sen in Shanghai. Whether or not these interviews had anything to do with the action of the Japanese Consul-General at Hankow, I do not know, but it is not improbable that Dr. Sun induced them to use their influence to persuade Vice-President Li to declare himself a candidate for the Presidency. This has been the desire of the Kuo Min Tang or Nationalist Party for some time, as was reported in my Nos. 807 and 815 of April 11th and 18th, respectively.

The Vice-President, however, is loyal to President Yüan Shih-k'ai and has refused to consider the proposals of Sun and Huang indorsed by Japanese and Russian Consuls. What purpose these representatives of Japan and Russia had in taking such action can only be surmised. It is evident that a disunited China may more easily be preyed upon than one united and at peace with itself, and there can be but little doubt that were Li to withdraw support from Yüan the South would be in a position to oppose Peking with a considerable force and civil war would probably result.

It is possible, too, that some understanding may have been reached with Dr. Sun which would give Japan and Russia compensation in Manchuria and Mongolia for the assistance rendered. This is the more easily suspected, because Dr. Sun has repeatedly, in conversation with foreigners, expressed the opinion that Manchuria and Mongolia are of no importance to China and are as good as gone anyway. It is well-known, too, that he is a great admirer of Jppan and more disposed to cöoperate with the Japanese than with Europeans or Americans.

While these negotiations were going on, the troops of Yüan Shih-k'ai were quietly occupying the borders of Kiangsi and Hunan, prepared to resist any advance of the southern forces into the Province of Hupei. The people of Kiukiang and vicinity became very much alarmed and an attempt was made by members of the Bureau of Foreign Affairs there, first to induce the captain of the VILLALOBOS and later to persuade the American Consul-General at Hankow to mediate and request President Yüan to withdraw his forces. Even while making this request and protesting their loyalty to the Central Government, however, they did not scruple to impute monarchical aims to the President and showed no real desire to abandon their attitude of hostility to him. Mr. Greene very wisely refused to undertake to mediate. Any mediation at this time would seriously embarrass the Government and make it difficult to assert its authority.

A few hours after my confidential telegram of May 28th, 11:00 a.m., was despatched, a telegram came from the Consul-General at Hankow reporting the departure of Ts'en Ch'un-hsüan from that port for Shanghai. Two emissaries of Huang Hsing were reported to have accompanied him. Ts'en Ch'un-hsüan is the Director-General of the Hukuang Railways. Under the Manchu Dynasty, he served as viceroy in Szechuan and afterwards at Canton. He acquired considerable notoriety by the ruthlessness of the methods employed by him to put down the revolution of 1904 in Kuangsi. His recent visit to Hankow was reported by some to have had for its object the prosecution of work on the railways, and by others the adjustment of the trouble between Kiangsi and the Peking Government. There have been rumors, too, that he, himself, was scheming to obtain the presidency. Consul-General Greene's telegram, just mentioned, intimated a belief in Hankow that his departure for Shanghai was due to the failure of the Japanese and Russian Consuls to induce Li Yüan-hung to be a candidate for the presidency and that Dr. Sun and Huang Hsing had proposed as an alternative that the southern provinces should secede and make Ts'en Ch'un-hsüan President of a South China. After his arrival in Shanghai, in the early morning of May 29th an attempt was made by a small band of armed men to capture the Shanghai arsenal. There, too, the conspirators met with defeat. Several of the attacking party were killed and others captured. Whether Ts'en was connected in any way with the attack is not known. Attempts have been made by the enemies of the President to create the belief that the Peking Government itself instigated the attack in order to justify further military measures in the Yangtze Valley, but this is preposterous. The existence of wide-spread conspiracy to overthrow the Peking Government is well-known and the movement of Kiangsi and Hunan troops affords all the justification needed for the transfer of large forces to the Yangtze region.

A recent telegram from Shanghai gives the Manchus credit for the attempt to capture the arsenal, but while the surmise may be correct, it does not find ready acceptance.

On receipt, in Peking, of the news of the attack upon the Shanghai arsenal, the Chinese Government on May 31st addressed a note to each of the representatives of the Treaty Powers asking them to telegraph their respective consuls at Shanghai to take measures to put a stop to the plotting that goes on in the foreign settlements there and to arrest the conspirators. I have the honor to enclose a copy of the note. This note will be the subject of discussion at a meeting of the Diplomatic Body soon to be convened. I have the honor to enclose, also, a translation of a Presidential Order dealing with the occurrence.

The President now has such complete control of the situation in the Yangtze that there is very little likelihood of an appeal to arms on the part of those rebelliously inclined.

Despite the offensive action of the Russian Consul-General at Hankow at the beginning of last week, the negotiations between China and Russia in regard to Mongolia made very satisfactory progress. The convention, as agreed upon by the Russian Minister and the Chinese Foreign Office, was submitted to the National Assembly last Friday, May 30th, for its approval. It was considered in secret session and is said to have been referred by each house to a committee for examination and report. The text of the convention is not yet available, but the contents are believed to be substantially as reported in my No. 870 of the 23rd ultimo. The matter of commercial privileges in Mongolia, at that time still unsettled, was arranged, I am credibly informed, by granting Russia equality with China in regard thereto.

Notwithstanding the very favorable progress made in these negotiations, the destructive raids of the Mongols continue. A body of a thousand Chinese was recently attacked by some two hundred Mongols at a place situated a hundred miles or more north of Kalgan. The Chinese were utterly routed; many were killed and wounded, and a number of guns were captured with a considerable quantity of ammunition. Following the battle reinforcements were sent from Peking to Kalgan on the 25th of May. On May 28th, I received a telegram from an American missionary in Mongolia, Rev. N. J. Friedstrom, asking protection from Saratsi down. The Foreign Office, upon my request, at once telegraphed the authorities to afford all protection. Yesterday I received a letter from Mr. Friedstrom, dated May 26th, in explanation of his telegram, stating that the Mongols from Urga were raiding the Ordos country in the vicinity of his station at Patsebolong and that he had fled to Paoteo where, however, the commander would not allow him to remain. He was sent away without protection on the plea that the soldiers were untfustworthy. Mr. Friedstrom added that the soldiers do not obey orders. He stated that Paoteo was hard pressed but had not been captured. The Mongols, according to his report, kill all queueless Chinese and are burning the towns and farmsteads along the border. He had arrived safely at Saratsi and sent a messenger with a telegram to Kuei-hua-cheng from which place it had been despatched to the Legation.

I have the honor to be, Sir,

Your obedient servant,

(Signed) E. T. Williams

Chargé d'Affaires.

A true copy of the signed original. W/?

Enclosures:

As stated.

Sub. Political situation- Martial law in the Yangtze Valley in Peking. Destruction of Arsenals. Fighting at Shanghai

Peking,

No. 947.

Ref.

July 29, 1913.

Ind.

800

The Honorable,

The Secretary of State,

Washington, D. C.

Sir:

Since my report of July 18th upon the political situation, the position of the Central Government has improved considerably. The northern army in Kiangsi Province has been uniformly successful in its operations against the insurgents there and, on July 25th, captured the forts that guard the entrance to the Poyang Lake. The latest advices to hand indicate a movement of the southern forces toward the provincial capital, Nanchang, followed by the northern army.

The movement of the northern troops down the Pukow Line, referred to in my No. 935 of July 18, 1913, page 7, has continued during the ten days since passed. Reinforcements in large numbers have been sent from this vicinity, and the rebel army is falling back towards Nanking. That city is reported to be in a very unhappy condition, fearing a renewal of the bitter experience of eighteen months ago.

The most spectacular incident of the war has been the defence of the Kiangnan Arsenal at Shanghai. As predicted in Tong Shao-yi's telegrams to me, sent through Consul-General Wilder, the little band of northern troops (1300), in possession of the Arsenal, has been subject to almost incessant attack by overwhelming numbers since the early hours of the 23rd instant. Aided by the guns of two or three Chinese cruisers in the river, they have kept possession and have won great praise by the courage shown.

Previous to the attack on the Arsenal at Shanghai, the General Chamber of Commerce, through the Consular Body, asked the Diplomatic Corps to make representations to both sides with a view to the removal of hostilities to a distance of twenty miles from the Settlement. Before the request was brought to the attention of the Diplomatic Corps hostilities had begun at the Arsenal, and the Diplomatic Body replied that, while sympathizing with the desire of the Chamber, it did not see its way to make the representations requested.

One of the first measures adopted by the rebels in Shanghai was to take possession of the telegraph office on the Bund in the International Settlement. When the manager of the telegraphs appealed to the Chairman of the Municipal Council for police protection against this invasion of government property, the Chairman replied that he would do nothing unless the attempt to secure possession assumed the proportions of a riot. This action of the Chairman was later repudiated by the Council, who sent a force of police and reinstated the manager appointed by the Peking Government. As a consequence of this reinstatement, General Ch'en Ch'i-mei, commanding the rebel forces, threatened to cut the telegraph wires between Shanghai and Woosung which would have cut off cable communication with the outside world. The British and German Legations, the interests of whose nationals were affected, at once issued instructions to their naval forces at Shanghai to protect the telegraph lines, and invited the cooperation of this Legation because the Commercial-Pacific Cable Company of the United States was also interested. This will explain my telegram of July 25, 2:00 a.m.

The fighting at the Arsenal has done great damage, not only to the Chinese city and its native suburbs, but to the Settlements as well. Large numbers of refugees have crowded into the International Settlement in search of safety. The situation became so dangerous that, on July 26th, the Consular Body authorized the Municipal Council to issue a proclamation against trouble-makers, requiring them to quit the Settlement. The consuls, however, reserved the right to pass upon the proposed expulsion of any person and, as reported in my telegram of July 26, 12:00 p.m., Consul-General Wilder informed me that he would insist upon judicial procedure.

The Consular Body further forbade the massing of troops from either party upon the northern side of the

Settlement and, at the request of certain Chinese in Chapei, a northern suburb, sent volunteers to aid in maintaining order there. The foreign war-vessels in the harbor also landed some men to assist in the defence of the Settlement. Press reports received here state that on the arrival of the volunteers in Chapei, some three hundred rebel soldiers surrendered their arms to these foreign troops. Consul-General Wilder states that he acquiesced in these measures, but expressed the opinion that certain persons interested in the extension of the Settlement would try to take advantage of the situation. He suggested that the Diplomatic Body should approve the action already taken, but specifically instruct the Consular Body to withdraw the volunteers as soon as the emergency should end, and that, failing such action by the Corps, I should so instruct him. The matter was mentioned at a meeting of the Diplomatic Body yesterday, but no action was taken. I doubt the possibility of securing unanimity upon the question. After the meeting was over I instructed the Consul-General that, while I was unwilling to embarrass him and his colleagues at a critical time, approval of the occupation of Chapei was withheld until a full report should be received. In the meantime I urged him to endeavor to have the volunteers withdrawn at the earliest practicable moment.

While calling at the Foreign Office yesterday afternoon, the Vice-Minister of Foreign Affairs called my attention to the action of the Consular Body and expressed the hope that the guards sent to Chapei would be speedily withdrawn. I replied that they had been sent at the request of the Chinese in Chapei, and that I was of opinion that they should be withdrawn as soon as the need for their assistance was removed.

Telegrams received today report the renewal of hostilities at the Arsenal last night. The Consul-General also reports that an engagement was expected at the Woosung forts, where the arrival of the transports from Chefoo and their cruiser escort was believed to be imminent.

The action of the Consular Body in regard to the expulsion from the Settlement of trouble-makers was based upon the instruction of the Diplomatic Corps of June 6, 1913, a copy of which is enclosed herewith. Had this instruction been acted upon more promptly, it is probable that no attack upon the Arsenal would have been made.

Previous to the proclamation authorised by the Consular Body on July 26th, the Ministry of Foreign Affairs addressed a communication to the Diplomatic Body requesting that instructions be sent to the consuls to expel Huang Hsing and Ch'en Ch'i-mei from the Settlements at Shanghai. The Diplomatic Body met yesterday morning and decided to reply to the Foreign Office that the action desired had already been taken by the Consular Body in accordance with the instruction of the Diplomatic Corps of June 6th. I enclose a copy of the note from the Foreign Office dated July 24th. The reply has not yet been circulated, but a copy of it will be sent later.

On July 23, 1913, the Foreign Office sent an identic memorandum to the several legations announcing the establishment of martial law in the Yangtse Valley and asking consent to certain measures whose execution would imply a temporary surrender of extraterritorial jurisdiction by the powers. A copy of this memorandum was forwarded to the Department with my No. 939 of the 25th instant. The points to which objection was taken are the proposal to execute search warrants upon the premises or the vessels of foreigners without the formality of visa of the warrant by the consul concerned and the request that when foreigners were found within the fighting lines aiding the rebels, they might be tried and punished by the Chinese military authorities. The reply of the Corps, a copy of which was also enclosed with my No. 939 mentioned above, while expressing a desire to meet the wishes of the Chinese in regard to the enforcement of law and restoration of order, refused to sanction any violation of treaty rights.

On July 25th a note was sent by the Foreign Office to each of the legations announcing the establishment of martial law in Peking and asking the cooperation of the legations in the enforcement of three regulations. I enclose a copy of the note and the proposed regulations. With respect to the first regulation, the Corps will reply that the Protocol of 1901 forbids the residence of Chinese, with certain exceptions, in the Legation Quarter, and this provision of the Protocol will be enforced. This will undoubtedly arouse the hostility of the shareholders in the Grand Hôtel des Wagons-Lits, which has for months been a haven of refuge to many Chinese of all parties, but there seemed no better answer to be made to the Chinese Government than that the provisions of the Protocol would be executed. This will, of course, exclude supporters of the Government, as well as those who are opposed to it.

With regard to the second regulation, the Legations agreed to stamp their own code telegrams with the legation stamp and to perform that service for their nationals, whose code telegrams after submission to them were found to be unobjectionable. No censorship in the foreign postoffices of the Quarter was to be allowed.

As to the third regulation, the Corps said that while the diplomatic representatives were not disposed to object in principle, they desired first to know what the prohibitions referred to were.

I have yet no copy of this reply but shall transmit it later.

The censorship of the press established here has resulted in the suppression of seven newspapers and the reduction of the others to innocuous dullness.

The police have shown a disposition to exceed their instructions. A few nights ago they raided the Canton Club House and arrested six members of the National Assembly upon mere suspicion. These being no evidence against them, they were released the next day.

An interesting sidelight is thrown upon the situation in Hunan Province by a communication to the CENTRAL CHINA POST of Hankow, enclosed in Mr. Greene's No. 325 of July 26, 1913. Just before the outbreak of the rebellion, the arsenal at Kaifeng Fu in Honan was destroyed by an explosion. This is the President's native province and Kaifeng is the provincial capital. Within a few days after this explosion, the arsenal at Changsha, Hunan, was utterly destroyed by a fire which was believed to be accidental. It is now reported that there was no accident in either case, but that the Honan arsenal was destroyed by southern sympathisers and that agents of the North retaliated by destroying the arsenal at Changsha. The result has been that, while leaders of the Nationalist Party in Hunan would like to assist in the rebellion they are without the necessary munitions of war.

Although Hunan was one of the first provinces to declare independence of the Peking Government, the Governor there is said to be loyal at heart and desirous of keeping the province from giving active support to the rebellion. The alleged neutrality, however, may be due to the force of circumstances, as intimated above, rather than to the influence of a loyal Governor. That Governor T'an is not popular with the radical element in the province is shown by the attempt to kill him made by an assassin on July 19th.

The leaders of the insurrection have been disappointed in their expectation that all the provinces south of the Yangtse would join them. So far but six provinces have shown any such disposition and some of these give but a half-hearted support. The six are: Kuangtung, Fukien, Kiangsu, Anhui, Kiangsi, and Hunan. As just stated, Hunan so far has not taken any active part in the military operations. The Governor of Kiangsu has recently issued a statement denying that he agreed to the declaration of independence made in his name at Nanking on July 14th. The prefectures of Chinkiang and Yangchow appear to be still loyal to Peking. Foochow presumed to speak for Fukien in declaring independence, but Amoy denies any sympathy with the rebellious movement.

Had the leaders won any important victories, perhaps they would have found more support, but the present condition of affairs points to an early collapse of the whole movement. Should this prognostication, however, prove to be correct, the situation will be most serious. Lack of harmony between the provinces and the capital will still remain; bitter hatred of Yüan Shih-k'ai will still exist, and bankruptcy, leading to foreign intervention will be nearer than ever.

I have the honor to be, Sir,

Your obedient servant,

(Sgd) E. T. Williams

Chargé d'Affaires.

Enclosures:

1. Diplomatic Circular No. 117.
2. From F. O., July 24, 1913.
3. From F. O., July 25, 1913.

800.

A true copy of the signed original.

Japanese activity in connection with present Revolution in China.

Sub.

Peking,

No. 974

Ref. August 15, 1913.

Ind.

Sec

The Honorable,

The Secretary of State,

Washington, D. C.

Sir:

I have the honor to call attention, as of possible interest to the Department, to the activity displayed by the Japanese in connection with the present insurrection in China.

That Japanese have done much to foment this disturbance seems now to be established beyond all question. The Japanese Government, it is true, has formally disclaimed all responsibility for the actions of those who have assisted the rebels. The Japanese Ambassador in London and the Japanese Legation in Peking both utilized the public press to deny the reports of Japanese support for the South, and the Jpanese Consul-General at Hankow on July 23rd published in the CENTRAL CHINA POST of that port a letter and a notification, a copy of which is enclosed herein. In the former he admitted that some Japanese adventurers had joined "one or the other of the fighting parties" at their own risk, but that their action was not in accord with the desire of the Japanese Government. In the notification he warns Japanese subjects to take no part in the civil war in China.

Despite these disclaimers and this notification, the activity of which the Chinese have justly complained has not been confined to adventurers. Reports received by this Legation from trustworthy sources show that responsible officers of the Japanese Government have also been implicated.

The motive for such activity is easily understood. A strong, united Chinese Republic is not a desirable neighbor for a monarchical Japan, which is already sufficiently disturbed by the introduction in recent years of democratic and socialistic sentiments.

It is well known that there are two policies in relation to China being advocated in Japan - one a policy of military aggressiveness which would take advantage of China's weakness to strengthen Japanese hold upon Chinese territory and seize every opportunity to add to these encroachments; the other a policy of peace and good-will, promoting commercial expansion. There is also a division of sentiment as to the locality in which the chief interest of Japan is found. Since the Chino-Japanese War of 1894 great attention has been giventto the possibility of a Japanese colonization and exploitation of Southern Manchuria, which churia, which with its rich soil, undeveloped mineral resources, sparse population, and temperate climate, seemed to offer an attractive field for Japanese expansion. On the other hand, the Province of Fukien on the mainland, opposite Formosa, has great attraction for certain Japanese interests, and in April 1898 that province was earmarked by Japan in an exchange of notes with the Chinese Government which aims to prevent the alienation of that region to any other power than Japan. Japanese trade with Manchuria has increased tremendously since 1905, but Japanese commerce with southern China is also very valuable and constantly growing.

Ever since the outbreak of the Revolution in 1911, the Japanese Government has outwardly preserved an attitude of neutrality. The influence of its British ally has no doubt been very helpful in this regard. The late Japanese Minister in Peking, Mr. Ijuin, was personally, to all appearance, loyal to this policy. His successor who arrived a few days since is, rightly or wrongly, suspected of sympathy with the present uprising in the South.

It seems not impossible that, while preserving an outward appearance of neutrality, the Japanese Government has placed the telescope to its blind eye when looking for violations of neutrality by its officers.

Even during the military operations of 1911 and 1912 complaints of Japanese activity were frequent; While their officers in the north appeared to be eager to preserve the Manchu Empire, Japanese nationals in the Yangtse Valley and elsewhere in the south seemed to be ardent supporters of republicanism.

When the Ming Pretender a few months ago raised the standard of revolt in Fukien, Consul Fowler in his No. 46 of May 23, 1913, to the Department, stated that it was common talk at Foochow that the Japanese were inciting the rebellion.

In the present insurrection the attitude of facing both ways appears to be more pronounced than in 1911. I have already, in my No. 935 of July 18th, reported the statement which Dr. Morrison says was made to him by the Secretary of the Japanese Legation here to the effect that the officers aiding the rebels in Kiangsi were on the retired list and that the Government was not responsible for their actions, that the rebel commander there had Japanese advisers just as President Yüan has Japanese advisers, and that those on the one side would probably be as loyal as those on the other to their employers.

It is well known that the leaders of the present insurrection, Dr. Sun Yat-sen and Huang Hsing, have had intimate relations with the Japanese for years past and that during the period of their exile they spent much time in Japan. The approaching collapse of the present rebellion has already driven them again to find refuge in Japan.

When Dr. Sun made his visit to Japan last winter it was rumored that he was seeking to arrange an alliance with Japan against Russia, but it is more probable that he was merely engaged in organizing the Chino-Japanese Association which ostensibly aimed at the promotion of commercial relations. The organization of this association and the interest shown in his railway plans probably confirmed him in the belief that the Japanese would support him in other plans as well. In my No. 858 of May 16th, I reported a conversation had with him by Bishop Bashford to whom he spoke of raising 300,000 men to attack President Yüan. When the fear was expressed that Japan would take advantage of a civil war to seize Manchuria and Russia to seize Mongolia, he intimated that he would not regard the loss of these territories as important, that he did not consider these dependencies as belonging to China proper. He also expressed great faith in Japan.

It may not be out of place to recite here in chronological order the recent events which have created or strengthened suspicion of Japanese aims. Many of these incidents have already been reported to the Department.

The Consul-General at Hankow in his Nos. 282 and 286 of May 28th and June 3rd, respectively, reported that the Japanese Consul-General at that port on May 25th called upon the Vice-President, Li Yüan-hung, and in a very diplomatic way urged him to stand for the Presidency against Yüan Shih-k'ai. The Russian Consul-General made similar representations, but in a less courteous manner the following day. The American Consul-General thought there was good reason to believe that both calls were made in obedience to instructions. In Mr. Greene's No. 282 he stated also that Huang Hsing when in Hankow saw much of the Japanese and that nearly every prominent Japanese who passed through Hankow had referred to his meeting or dining with Dr. Sun and Huang Hsing in Shanghai,

At the time

At the time of the interview mentioned above which the Japanese Consul-General had with the Vice-President, the ex-Viceroy Tsen Ch'un-hsüan and two representatives of Huang Hsing were also in Hankow and also endeavored to detach the Vice-President from Yüan Shih-k'ai.

On July 10th I had the honor to inform the Department of a statement made to me by Dr. Morrison, Adviser to the President, to the effect that President Yüan was fully convinced that certain conspirators went to Hankow from Shanghai under Japanese protection and returned down the river under Japanese protection. Dr. Morrison also charged the Japanese with giving financial aid to the insurrection. About the same date press despatches carried an alleged report of a speech by Baron Kato in which he was said to have declared that Japan's interest lay in South China.

In Mr. Greene's No. 306 of July 14th, he says: "There is a strong feeling here that the Japanese are at the bottom of this trouble (i.e., the insurrection in Kiangsi)." He adds that Li Lieh-chun's advisers have been practically all Japanese, that the first reports of trouble in Kiangsi were from Japanese sources and were to the effect that the rebels had won a victory. The French Vice-Consul had also informed him (Mr. Greene) that when he was proceeding up the Yangtze the previous week seven or eight Japanese officers had disembarked at Hukou and were received by a motor boat apparently sent for them from the forts, which at that time were in the hands of the rebels. On July 15th, in his No. 307, Consul-General sul-General Greene states: "The feeling is growing more and more that the Japanese are helping the Kiangsi (rebel) troops." It was stated by Vice-President Li Yüan-hung in a public telegram that the two conspirators who were arrested in the German Concession at Hankow were staying in a Japanese hotel.

In his No. 311 of July 16th, Mr. Greene quotes a paragraph from a statement given by the Vice-President that day to Mr. Thomas F. Millard for publication, in which the Vice-President boldly accuses the Japanese of supporting the insurrection. He would not say positively, however, that the Japanese Government was at the bottom of it. His opinion was based upon the Japanese attitude during several months preceding the interview. Among the incidents mentioned were the following:

> 1. - Within a few days before the interview, two Japanese advisers to Li Lieh-chun were taken by a Japanese steamer to Kiukiang and one of them was known to be a military officer.
>
> 2. - The Japanese boats plying between Shanghai and Hankow changed their itinerary and made stops at Hukeu.
>
> 3. - They landed arms, men and silver to aid the rebel cause.

On July 20th Dr. Wilder reported that an American who had been up the Yangtze informed him that his steamer was held up at the mouth of the Poyang Lake and that there were Japanese officers in the boarding party who asked for a Japanese-speaking man if available.

On August 2nd, the present Premier, Hsiung Hsi-ling, in a public telegram, a copy of which is enclosed, charged the "People's Party" of Japan with endeavoring to stir up strife between the northern and southern provinces of China with the purpose of dividing and weakening China. He relates circumstantially a meeting which he, himself, had with Inukai, a leader of that party, in which meeting Inukai tried to induce Hsiung and others to agree to his plan for the separation of the North and South and the election of Tsen Ch'un-hsüan president of a southern republic. This statement, however, is denied by Mr. Inukai in the JAPAN ADVERTISER of August 7th.

On July 25th, the American Consul-General at Canton in a confidential despatch, No. 106, reported that the recent Governor of Kwangtung after calling on him on July 16th proceeded to the Japanese Consulate-General, where he was entertained at luncheon; that the Japanese Consul-General at Hong Kong was present and that he advised the Governor of Kwangtung to join Kiangsi and proclaim independence, which he did shortly thereafter. Mr. Cheshire further states that it was believed that a large quantity of arms and ammunition had been imported into Canton through Japanese agencies. This suspicion is confirmed by Mr. Bartlett Yung, who was for a time Superintendent of the Arsenal at Canton, and who informed me, as stated in my No. 963, that he had had repaired at Canton a considerable number of old rifles purchased from the Japanese. Mr. Yung also stated that while he was in Shanghai he personally visited the rebel lines and saw a number of Japanese in the trenches with the rebel troops and that the last assault upon the Shanghai Arsenal was directed by Japanese. Mr. Greene's despatch No. 326 of July 26th stated that the Kiukiang correspondent of the CENTRAL CHINA POST on July 23rd reported that three Japanese had been arrested within the northern lines for obtaining information. They claimed to be customs officials and were released. One, however, afterwards returned and was rearrested.

On July 29th, the Vice-Consul in Charge at Nanking, reporting the flight of Huang Hsing, says: "It is credibly reported that Huang Hsing left last night on a Japanese cruiser which arrived yesterday afternoon."

In his No. 336, of August 2nd, Mr. Greene encloses a report made by Lieutenant Hannigan commanding the U. S. S. QUIROS in which he states that three Japanese were drilling the rebel Hunan troops at Yochow.

In addition to these incidents should be mentioned the anchoring of Japanese warships off Hukou instead of within the harbor limits of Kiukiang during the fighting in that vicinity. This greatly annoyed the Chinese authorities who had to issue a warning that they would not be responsible for damages done if foreign warships did not anchor within the line of the foreign concessions.

The trouble with the Japanese at Amoy was of a somewhat different character, but created considerable excitement because Amoy is in the province of Fukien upon which Japan has had her eyes fixed since 1898. Threats were made that a force would be landed if satisfaction were not given for the wounding of four Formosa Chinese subjects of Japan. Fortunately the Chinese complied at once, so far as possible, with the Japanese demands. The arrest of all the accused was not possible within the time limit given. This has been extended and it remains to be seen whether or not further advantage of the incident will be taken by the Japanese.

Another interesting occurrence recently happened here. For some weeks past a Japanese politician, named Terao, has been living in Peking and holding frequent conferences with members of the Kuo Min Tang. For greater convenience and safety, a house within the Legation Quarter was rented which became the rendevous for Chinese who were believed to be plotting against the Government. The man, Terao, was seen several times passing to and fro by a back street, between this club house and the Japanese Legation. The French Legation, which is located across the street from the house mentioned kept watch upon it, as did certain other foreign residents. On July 30th the PEKING DAILY NEWS called attention to the suspicious character of the men frequenting the place and notice to quit was finally served upon the renters.

All these incidents, although taken separately they seem to be of slight importance, when brought together go far to confirm the belief that Japan is no friend to the Republic of China and will not only take advantage of any dissension that may occur, but will not scruple to sow discord and foment disturbance in order to weaken the Government and, if possible, bring about the partition of China.

I have the honor to be, Sir,

Your obedient servant,

(signed) E. T. Williams

Chargé d'Affaires.

A true copy of the signed original. W.C.

Enclosures:

As stated.

800.

Sub. Political conditions

Ref. Peking.

No. 1006

Ind. September 12, 1913.

800

The Honorable,

The Secretary of State,

Washington, D. C.

Sir:

I have the honor to report upon the political situation in China as follows:

On September 1st the City of Nanking, the last rebel stronghold in the Yangtze Valley, was captured by the northern troops. The city held out much longer than had been anticipated. This was no doubt due in great part to the fact that the attacking army was not large enough to surround the city and cut off supplies. Two gates on the west side were in constant use by the rebels for communication with the country and on the very day of capture large quantities of provisions were introduced through these gates.

The burden of the attack fell upon the troops of Chang Hsün and those of the late General Hsü, commonly known as "Tiger" Hsü. The latter were commanded by "Tiger" Hsü's brother. General Feng Kuo-chang held Pukow, opposite Nanking, and assisted in the bombardment and, according to one account, his troops were the first to enter the city. He does not appear, however, to have taken any large number of men across the Yangtse, and those who did assist in the capture of Nanking were withdrawn shortly afterwards. All this, it is believed, was prearranged, and was probably a concession to General Chang Hsün, who has been nursing his wrath since his loss of Nanking in December 1911. His coöperation with the regular forces of the Government was no doubt conditioned upon his being allowed to retrieve his reputation by the capture of Nanking. Both his troops and those of General Hsü are to be carefully distinguished from the soldiers of the regular army. This should be especially borne in mind when reports of their barbarous conduct are considered.

General Chang's forces do not belong to the new or modern army, but are of the old type. They are composed partly of Kansuh men and partly of Shantung men, all of whom still wear the queue. General Hsü's troops are even less reputable. The "Tiger" Hsü was originally a salt smuggler and these troops were a band of brigands by which he defended his operations.

It is a pity that the capture of Nanking was left to these ruffians rather than to the better disciplined troops of the regular army. In my telegram of July 16, 10:00 p.m., and my No. 935 of July 18, 1913, I reported that uncertainty existed as to the attitude of General Chang and there is scarcely any doubt that the southern leaders endeavored to enlist his support. It was therefore of vital importance to the army of General Feng that the coöperation of Generals Chang and Hsü should be secured, else the northern army would have one of these forces in its rear and the other on its flank. All this must be considered when we are disposed to blame the Government for employing such forces.

General Chang's forces even now are not in sympathy with the Republic and do not use the Republican Flag. Telegrams from Nanking, dated the 10th instant, report that General Chang's men will not permit the five-colored flag to be used in that city. In accordance with the custom which prevailed before a modern army was organized these troops use a red flag on which appears in white the Chinese character which represents the surname of the commander.

Great indignation has been aroused by the reports of the looting of Nanking and the outrages committed there by General Chang's troops. These reports are well authenticated. The facts are deplorable even when all allowances are made. General Chang had issued proclamations forbidding the looting, but evidently made no attempt to enforce his orders until the looting was over.

There is a disposition in some quarters, however, to regard the northern forces as more barbarous, more given to looting and outrage than those of the south. This has no justification in fact. The Chinese, north and south, are only just beginning to learn that there are humane methods of conducting warfare. Both sides have been guilty of horrible cruelties. There has probably never been any greater exhibition of barbarity than the torture of Manchu officials and the massacre of defenceless Manchu women and children by the southern revolutionaries in 1911, and the sacking of Nanking by the northern forces finds its counterpart in the looting of Canton by the southern rebels a few weeks ago. It is impossible for either side to claim a monopoly of the virtues and it is folly for foreign observers to allow their sympathies with either side to blind them to the excesses of those whose cause they champion.

In the midst of the confusion and disorder which followed the capture of Nanking three Japanese subjects were killed. According to Mr. Gilbert's report of the occurrence, these men were accused of aiding the rebels. Inasmuch as a number of Japanese have been aiding and abetting the rebellion, the charge is not unreasonable. Other reports, however, state that they were caught looting. The Japanese account current here is that they were staying at the Japanese Consulate for safety and that when they learned that their own shops were being looted, they left the Consulate and attempted to reach their homes to save their property and that while doing so they were shot by General Chang's troops.

The Department has undoubtedly been informed of the excitement created in Tokyo by the report of the killing of these three Japanese subjects. The opposition seems to have used the incident in an attack upon the Government.

ment. Here, the Japanese Legation has so far contented itself with presenting to the Chinese Government certain demands as a minimum, report of which was made to the Department in my telegram of September 11, 10:00 p.m.

Joined with this incident of the killing of the Japanese in Nanking are two other cases: The first was the arrest by nothern troops on August 11th of a Japanese officer in uniform, Lieutenant Nishimura, near Hankow. It is alleged that he was detained six hours and that during that time he was cruelly tortured. The incident was reported by the Hankow Consulate-General in its No. 380 of August 14th, to the Legation, a copy of which was forwarded to the Department on the 19th instant. The second case was the more recent arrest and detention at Yenchou Fu, Shantung, of a Japanese officer in uniform who was duly provided with a passport.

These two cases are regarded by the Japanese Legation as of far more serious consequence than the killing of three civilians at Nanking. The demands presented by the Japanese Government cover all these cases and certainly can not be considered excessive or unreasonable. They are as follows:

1. The culprits should be punished.
2. Those officers who neglected to accord protection to the Japanese be punished.
3. General Chang Hsün should express his regret to the Japanese Consulate for the accident.
4. The families of the deceased Japanese be indemnified.
5. The Central Government express its regret to the Japanese Government.
6. The troops of General Chang be ordered to go to the Japanese Consulate in procession.

It would seem to be the part of wisdom for the Chinese Government to agree at once to these demands and thus dispose of a case which might easily grow into a source of serious trouble. But there is a disposition on the part of some of the Chinese officials to refuse to comply with these demands and to try to modify them. It would be entirely un-Chinese to agree to the first demands and they may be counted upon almost invariably to do the wrong thing. If these demands are not agreed to promptly, there is no doubt but that far heavier demands will be made. It is already rumored that the extension of the lease of Port Arthur and the Kuantung Peninsula will be asked.

There is also a disposition to ask for the removal of General Chang Hsün. It is doubtful is this could be done without a fight.

In the meantime, the Japanese have landed several hundred bluejackets at Nanking with machine guns and this force is now inside the city of Nanking protecting the Japanese Consulate and the property of Japanese civilians.

I have the honor to be, Sir,

Your obedient servant,

Signed E. T. Williams

Chargé d'Affaires.

800.

A true copy of the signed original. W.C.

Presidential Mandate dissolving the Kuo Min Tang and expelling the members thereof from the National Assembly.

Peking,

No. 2015

November 11, 1913.

800.

The Honorable,

The Secretary of State,

Washington, D. C.

Sir:

Referring to my telegrams of November 5, 4:00 a.m. and 12:00 midnight, relating to the Presidential Mandates dissolving the Kuo Ming Tang or Nationalist Party and expelling its members from the National Assembly, I have the honor to send enclose a translation of the most important of the three Mandates.

The officer known as the Chief of the Headquarters for Precautionary Measures corresponds very nearly with that of the Provost Marshal. Two forms of martial law were proclaimed during the recent insurrection, the more rigorous sort applied within the zone of military operations and the milder form applied in Peking and elsewhere known as the enforcement of Precautionary Measures. Peking is still under martial law of this second type.

For some weeks past there have been rumors of action by the Executive Branch of the Government against the Nationalist members of Parliament. The officers of the Court Martial and the military officers generally were reported to be urging upon the President the need of drastic action. These rumors became quite common after the refusal of the Constitutional Committee to receive the delegates of the President and confer with them in regard to certain provisions of the draft constitution. As reported in my No. 1090 (p. 3) of October 30th, the Assembly guards were ordered to expel the delegates from the building in which the Committee was meeting.

Shortly after midnight on November 4th a telephone message informed the Legation of the issue of the mandates mentioned above and at 2:00 a.m. on the 5th instant the Official Gazette containing them was received.

Military police were sent late in the afternoon of the 4th instant to the headquarters of the party and to the homes of the principal members. Some seventeen members were found at the headquarters of the party and were detained there for two days while the records of the party and the correspondence of its officers were carefully examined. Some of the leaders are believed still to be in confinement, but so much secrecy is observed and so many of the members have left the city that it is difficult to learn the truth.

The Mandates applied not only to those now members of the Kuo Ming Tang, but to all those who were members after the outbreak of the rebellion. With a very few exceptions, however, the members were merely required to deliver their badges and certificates of membership in the Assembly and to allow their private papers to be examined.

The Military Police are still in evidence at the homes of the leaders and strenuous efforts are being made to find evidence against the leaders of complicity in the insurrection. No doubt some were guilty of correspondence with the rebels, but it is generally believed that by far the greater part of the Nationalists in the Assembly were loyal to the Government. This is especially true of some who quit the Kuo Ming Tang and entered other parties after the outbreak of the rebellion. It is well-known, however, that those of the Kuo Ming Tang who left that party recently to organise the Ming Hsien Tang or People's Party did so with the express purpose of continuing the activity of the party under a new name.

The number of those expelled is nearly three hundred. This has made it impossible to obtain a quorum in either House. Informal meetings have been held from time to time, but no public business can be transacted. As a consequence the draft constitution, a translation of which was enclosed with my No. 1090 mentioned above, can not be submitted for adoption and the President is in no danger of having his hands tied in the manner proposed by the draft constitution.

The President of the Senate and the Speaker of the House have had several conferences with the President and urged him to restore the certificates of membership in the Assembly to those whose public speeches in the Assembly denounced the insurrection, those who telegraphed to their provinces denouncing the rebellion and those who left the Kuo Ming Tang before the outbreak of the rebellion. Should this be done it is possible that enought members may be gathered together to form a quorum.

The Mandates themselves require the alternates (selected at the time of the parliamentary election) to be sent to Peking to replace the expelled members, but as very many of these are also members of the Nationalist Party, it is not believed that the President would allow them to be seated. In any case some time must elapse before the Assembly can undertake further legislation and, in the meantime, the President will govern without an Assembly and will doubtless make use of the occasion to strengthen his control of the country.

There is very little excitement in Peking and news received from other parts of the country indicate a general acquiescence in the President's action, not so much from love of the President as from weariness of political strife.

In conversation one hears much quiet criticism of the President and his advisers. Some members of his Cabinet even are known to be opposed to the unconstitutional methods employed. The Premier is credibly reported to have strongly urged the President not to issue the Mandates. The Minister of the Interior gave the same advice, but both countersigned the documents. The Minister of Justice, the Minister of Industry and Commerce, the Minister of Communications, and the Minister for Foreign Affairs are also believed to be out of sympathy with this attack upon the Assembly. It is not improbable that a new Cabinet will have to be formed. The President has undoubtedly been greatly influenced by his Secretary, Mr. Liang Shih-yi, who has been a close friend for years. But Mr. Liang does not represent the best element in China and is generally believed to be very corrupt. He is, nevertheless, one of the foremost classical scholars in China and a man of great shrewdness.

Whether or not this latest move is definitely directed against the Republic and meant to pave the way for a new empire, it is too soon to judge. Ostensibly it aims to consolidate the country and centralize the Government. But all lovers of free institutions will deprecate the methods adopted by the President to attain these ends.

I have the honor to be, Sir,

Your obedient servant,

Edward T. Williams

Chargé d'Affaires.

Enclosure:

As stated.

800.

A true copy of
the signed orig-
inal.

Sub. ....

Recd. ....

Ack. ....

Ans. ....

PRESIDENTIAL MANDATE DISSOLVING THE KUOMINTANG.

(Translated from the Government Gazette
of November 4, 1913, by the Peking Daily
News of November 6, 1913, and checked
and corrected by the Assistant Chinese
Secretary)

P. Dept 11 NOV 1913

800

The Chief of the Headquarters for Precautionary Measures (Ching Pei Ssu Ling Kuan) has submitted to the President a number of reports enclosing several telegrams in code exchanged between Li Lieh-chün, the Chief of the Rebel Society and other members of the Rebel Society who are members of Parliament. The President has carefully perused the telegrams in question and was much shocked by their contents.

The telegrams reveal the fact that during the recent rebellion the Headquarters of the Kuomintang and the Kuomintang members of Parliament secretly incited Li Lieh-chün, Huang Hsing, and others to rebel. The Southeastern provinces were devastated, lives were sacrificed, and property destroyed. The people were subjected to all manner of hardships. They came to dread the future. The cause of all these misfortuned has now been discovered.

An inspection of the telegrams reveals four particularly revolting facts.

(1) The telegrams contain references to a plan whereby the Rebel Li Lieh-chün was to unite seven provinces in an alliance. This showed that the Kuomintang regarded the Republican Central Government as an enemy.

(2) The action of the Central Government in sending troops into Hupei was done simply with a view to protecting the country, but the references to

it in the telegrams indicate that the Kuomintang Headquarters regarded this as a move of great importance, and that they sent delegates to enter into negotiations with Huang Hsing, and also telegraphed Li Lieh-chün immediately to make preparations for resistance. This shews that the Kuomintang regarded the Republican army as an enemy.

(3) The telegrams contained statements not only urging Li Lieh Chün to make use of the opportunity afforded but also setting forth that Huang Hsing would win over Nanking and Anhui, and Sun Yat Sen the two Kwangs. Nanking was to be made the capital of a rapidly organized central government. The above shows a deliberate intention to overthrow the Republican Union.

(4) The telegrams also pointed out that, with the repeated recurrence of rebellions, the Foreigners would step in as mediators, and that the North and South would be separated. This showed a desire to invite the intervention of the Powers.

All of the statements above recorded prove that the Rebels acted in conjunction with the Headquarters of the Kuomintang, and were hand and glove with the Kuomintang members of Parliament.

After the organization of the conspiracy the Rebel Li Lieh-chün at different times presented the Headquarters of the Kuomintang with large sums of money, and also made special allowances reaching a large amount to the Kuomintang members of Parliament. The only thought of the members of the Kuomintang and of the Kuomintang members of Parliament was to enrich themselves by stirring up trouble. They disregarded the fact that they were placing the country in danger and bringing hardships upon the people. The country could not have been more endangered nor the people subjected to greater hardships.

The President is entrusted by the people with heavy responsibility. Now that a matter of such serious importance has come to light as the conspiracy of the Headquarters of the Kuomintang with the Kuomintang members of Parliament, there is only one course open to him. With the object of averting danger from the country and alleviating the condition of the people, strict orders have been issued to the Chief of the Headquarters for Precautionary Measures to close the Kuomintang Headquarters at the capital, and also to the Commanding Officers of those districts which are under martial law, and to the different Governors of Provinces, Civil and Military, to issue orders to the Chiefs of Police and local officials under them to close all Kuomintang organizations, whether bureaux, sub-bureaux, bureaux of correspondence, etc., within three days. In future anyone circulating printed matter, making speeches, or holding secret meetings, in the name of the Kuomintang will be treated as a member of a rebellious society, and punished without clemency. The Kuomintang members of Parliament, since they received large sums of money as allowances from the Rebel Li Lieh-chün, and since they plotted with the Rebel Li Lieh-chün, as proved by the telegrams referred to above, have forfeited their rights as representatives of the country. They made use of an office of great importance, which was established to build up the country, to plot its destruction. Were they permitted to make use of their official position indefinitely to further their nefarious schemes they would a develop a tendency to rebel which would show itself whenever occasion should offer. Since the members of the Kuomintang have proved themselves to fall short of the standard fixed by law for the office of member of Parliament, how can they be treated as members of Parliament?

The Chief of the Headquarters for Precautionary Measures will order the Chief of Police of Peking to examine the membership records of the Kuomintang and demand back the election certificates and badges of the Kuomintang members of Parliament, whose names still appeared on the records after the outbreak of trouble at Hu K'ou in Kiangsi. At the same time the Minister of the Interior will at once instruct the Superintendents of Elections to replace the vacancies opened in the House and Senate from the substitute Senators and Representatives, who were chosen at the last election. In this way will an upright and dignified Parliament be assured, and a repetition prevented of conditions which have recently come to light. It is hoped that thus will the Republic be firmly established and a proper public opinion developed.

Among the members of Parliament not belonging to the Kuomintang there is no lack of patriotic men. They should understand that the Kuomintang has been dissolved in order that the country may be strengthened. They should have no doubts upon this matter. They should by no means render any assistance to the Rebel Society or screen its operations.

After the Kuomintang members of Parliament have returned to their homes, if they reform and sever all connections with the Rebel Society, they will still have many years before them of public usefulness, within which they can enjoy the blessings of the Republic.

The evidence against the Rebel Society is published in a separate proclamation. All officials concerned must obey this order.

(Seal of the President).

November 4, 1913.

Hsiung Hsi-ling, Premier.

Chu Ch'i-ch'ien, Minister of the Interior.

CHINA'S
CONSTITUTION.

CHINA'S CONSTITUTION.

DR. GOODNOW'S DRAFT.

[*Reprinted from the Peking Gazette.*]

The following is a Draft Constitution prepared by Dr. F. J. Goodnow, the President's Legal Adviser. It is accompanied by explanatory notes, and is of special interest as showing the views of an experienced Constitutional Expert upon the form of Constitution best suited to China's present needs.

We the people of the Republic of China do ordain and establish this Constitution for the Republic of China.

ARTICLE I.

Section. 1

The legislative powers of the Republic of China, are vested in a Parliament, which shall consist of a Senate, and a House of Representatives.

The Parliament may, by law, delegate either to the President, to the Courts, or to the Provinces the exercise of any of its powers; but any action taken by the President, the Courts or the Provinces, as a result of the exercise of a power delegated by the Parliament, may be repealed by the Parliament.

Note: This constitution has been drafted with the idea that theg overnment of the Republic of China will not be a federal government like that of the United States but a centralized Government like of that France. All the legislative powers of the Republic have therefore been granted to the Parliament of the Republic.

The section must, however, be read in connection with Article IV. Reference to this article will show that the intention of the draft is to grant all legislative powers to the National Parliament but at the same time to recognize that the Provinces possess, until Parliament shall fix the powers they are to exercise, the same powers of legislation as those of Parliament. The exercise of these powers of legislation by the Provinces is subjected, however, to the necessity of obtaining the approval of the President of the Republic. It is believed that, if the plan proposed is followed, each one of the Provinces will have powers of local government sufficient to permit it to attend efficiently to local matters, but that the central government will have a control over the actions of the Provinces strong enough to protect the unity of the Republic.

Provision has been made for the delegation of its powers by Parliament to the President of the Republic, [illegible] shall [illegible] membership, [illegible] and [illegible] as shall [illegible] and until [illegible] thereon, all [illegible] for its organic [illegible] existing laws governin- [illegible] its members not incon- [illegible] this Constitution shall [illegible] be operative.

Section 4

The time, place and manner ing elections for Senators sentatives, and the quali all voters shall be prescrib and until Parliament shall thereon, all existing laws tions not inconsistent with stitution shall continue to b

The Parliament shall least once every year, meeting shall be on the —— unless they shall by a different day. But the may, at any time, call session of the Parliament, shall be his duty to call session if he is requested a majority of the members house. Failure upon the President to call such spe when so requested shall be impeachment."

Note: This section has been on the theory, that special may be called by both the of the Republic, and by a of the members of each ho legislature. It is based on the Constitution. The clause the President's failure to call session, a ground of imp would seem to be necessary the wide power of ordinanc regulation given to him by II, section 7. For if the is to have such powers, it wo to be necessary, in order to their exercise against the Parliament, when that body is session, to give to Parliament power to reassemble at any time in order to repeal some presidential regulation of which it does not approve.

Section 5.

The Senate shall have the sole power to try all impeachments, and the House of Representatives shall have the sole power of impeachment.

The President, and all other civil officers, of the Republic, may be impeached for any cause provided for in this Constitution or by law. An impeachment may be brought against the President only upon a two-thirds vote of all the members of the House of Representatives.

No person shall be convicted on impeachment without the concurrence of two-thirds of all the members of the Senate.

Judgment in cases of conviction on impeachment shall not extend further than removal from office and disqualification to hold any office under the Republic, but the party convicted shall nevertheless be liable to trial and punishment in accordance with the provisions of the criminal law.

Note: This section is a based upon a sectionin the Constitution of the United States. It has however been provided that the causes for impeachment are to be stated in the Constitution, or to be fixed by law. Causes, in the Constitution, for impeachment, are stated in Article I section 4, Article II section 11 and section 13.

It has seemed desirable to provide a method by which the causes for impeachment may be fixed with reason- able [illegible]
uncertainty, [illegible]
ment, which [illegible]
Senate.

The [illegible]

[illegible]

Each House [illegible]
its proceedings, [illegible]
publish the same, [illegible]
as may in [illegible]
secrecy, and [illegible]
the desire of [illegible]
be entered on [illegible]

Neither House [illegible]
Parliament, shall [illegible]
of the other, [illegible]
three days, nor to [illegible]
that in which the two [illegible]
sitting.

Note: This section is [illegible]
stance in almost all written [illegible]
tions. Great Britain is almost the [illegible]
important country, which does not [illegible]

[illegible] the right to [illegible] qualifications [illegible] that country con- [illegible] to parliament- [illegible] by the ordinary [illegible] of the ques- [illegible] unwise since it [illegible] to political in- [illegible] should be as [illegible] administration of [illegible]

[illegible]

[illegible] Representatives [illegible] for their [illegible] by law, and [illegible] Treasury.

[illegible] except treason [illegible] during their [illegible] of their res- [illegible] going to, and [illegible] same; and for any [illegible] in either house they [illegible] in any other [illegible]

[illegible] clause in this section [illegible] the privilege of mem- [illegible] from arrest is [illegible] that in the constitution [illegible] United States. The privilege [illegible] however, is much wider. [illegible] existence of such a privilege seems [illegible] in order to preserve the [illegible]pendence of members, and protect [illegible] from threats of prosecution by [illegible] government.

Section 8.

Every bill which shall have passed the Senate and the House of Representatives, shall before it becomes a law be presented to the President of the Republic; if he approve he shall sign it, but if not, he shall return it, with his objections, to that house in which it shall have originated, who shall enter the objections at large on their journal and proceed to reconsider it. If, after such reconsideration, two-thirds of all the members of that house shall agree to pass the bill, it shall be sent together with the objections to the other house by which it shall likewise be reconsidered and if approved by two-thirds of all the members of that house it shall become a law. But in all such cases the votes of both houses shall be determined by the yeas and nays, and the names of the persons voting for and against the bill shall be entered on the journal of each house respectively. If any bill shall not be returned by the President within ten days after it shall have been presented to him, the same shall be a law, in like manner as if he had signed it unless the Parliament by their adjournment prevent its return, in which case it shall not be a law.

Every order, resolution, or vote, which has received the concurrence of the Senate and House of Representatives (except on a question of adjournment, and except as otherwise provided in this Constitution) shall be presented to the President of the Republic, and before the same shall take effect, shall be approved by him, or being disapproved by him, shall be repassed by two-thirds of the Senate and House of Representatives according to the rules and limitations prescribed in the case of a bill. But resolutions proposing to amend the

Constitution, must receive the approval of the President of the Republic.

Note: It may be stated here that the office of President that is provided for in this draft, is modelled upon both that of the President of the French Republic and upon that of the President of the United States. It is modelled on the office of the French President in that it provides that the President of the Republic of China shall be elected for a reasonably long term by the National Assembly, consisting of a joint session of both houses of Parliament (see Article I Section 11). The draft resembles the French Constitution further in that it accords to the President of the Republic of China, the right to initiate legislation and to designate in writing persons to express the views of the government with regard to bills or projects of law which have been introduced and are being discussed in Parliament.

The draft however proposes the adoption of the American idea as to an independent President with a reasonably permanent term. The reason for the adoption of this idea, is that the experience of the one hundred and twenty years during which the Constitution of the United States has been in force shows that, greater stability in the government and a more permanent and continuous policy, are to be expected under this general plan than under the plan adopted in Great Britain and France. While it may be true that the British and French systems are more quickly responsive to public opinion, experience has shown that

they are accom [illegible]
Cabinet changes [illegible]
government and per [illegible]
are difficult to [illegible]

In order that the [illegible]
may have the [illegible]
independence, it [illegible]
President have [illegible]
to that possessed by [illegible]
the United States [illegible]
as he has such a [illegible]
to protect his [illegible]
legislation of [illegible]

It would [illegible]
most of all, [illegible]
stable and [illegible]
the next [illegible]
public is to [illegible]
measure of [illegible]
organization of [illegible]
a great amount [illegible]
tion, both [illegible]
trative organi [illegible]
branches of law [illegible]
relations of indi [illegible]
these lines can be [illegible]
the condition that [illegible]
pursued in reasonably [illegible]

After this work has been [illegible]
be that China can [illegible]
adopt more fully the [illegible]
government. If this should [illegible]
the change may be [illegible]
ment of the Constitution. [illegible]
with this idea in mind [illegible]
of amendment has been propo [illegible]
may be both quick in its [illegible]
easy of application. Refer [illegible]
Article V of the draft will [illegible]
amendment to the Constitution [illegible]
made by a two-thirds vote of [illegible]
Houses of Parliament with the appro [illegible]
of the President. The necessity [illegible]

head of department under hi
to appear before either Ho
liament at its request, and
questions put to him with
the conduct of his departme
II Section 8); another pro
mits Parliament to add by
causes of impeachment set f
constitution (Article I Section

Under these conditions i
means improbable that a st
liament would make it im
the President to carry on th
ment effectively except his C
the confidence of parliament

If the draft is approved th
will not thus be made to a
the American, or the Frenc
a whole. A compromise o
principles will have been m
will permit China within th
or fifteen years guided by
experience to work out th
government which seems m
suited to her needs.

ARTICLE I.

Section 9.

It shall not be lawful for t
or the House of Represent
adopt or pass any vote, res
bill, for the appropriation o
of the public revenue, or of a
any purpose that has not bee
commended to that house by
of the President in the session
such vote, resolution or bill is
nor shall it be lawful for ei
Senate or the House of Repres
to increase the amount recom
to that house by the Preside
appropriated for any purpose.

Note: This provision is modelled upon a provision to be found in the Constitution of the Dominion of Canada, and is in accord with British practice. It is recommended also in view of the experience of the United States. In the United States the power which each member of either house has to propose an appropriation not recommended by the President has been the cause of great extravagance. The United States has been able to permit such a power to be exercised by Congress only because its annual financial operations have usually resulted in a surplus rather than a deficit.

At the present time the conditions of China's finances are such that the strictest possible economy is absolutely necessary. It is therefore imperative that resort should be had to all the devices which experience has shown tend to secure economy.

Section 10.

No money shall be drawn from the Treasury nor shall any loan be made, nor any tax be levied, except in consequence of law.

Note: The application of the principles set forth in this section would seem to be necessary in every system of constitutional government. The section therefore needs no comment.

Section 11.

One month at least before the expiration of the term of office of the President of the Republic the Senate and the House of Representatives shall [illegible]

[illegible] election. [illegible]

The [illegible] elected [illegible] President [illegible] from office [illegible] on impeachment [illegible]

In case the [illegible] vacant for any [illegible] power shall be [illegible] of executive [illegible] council of [illegible] sident shall be [illegible]

Note: This provision [illegible] the French constitution [illegible] ditions which now [illegible] French method of [illegible] dent would seem to be [illegible] available. The only other [illegible] election possible of adoption are [illegible]

[illegible] by some third
[illegible] a third body, the
[illegible] is to be elected
[illegible] by the people,
[illegible] by the framers
[illegible] the United States.
[illegible] provided,
[illegible] modified in
[illegible] method of
[illegible] the United
[illegible] from the
[illegible] Constitution. It
[illegible] actual method
[illegible] the United
[illegible] for it has
[illegible] on one or
[illegible] of civil war
[illegible] because of
[illegible] political ex-

[illegible] of the exe-
[illegible] only in the
[illegible] American Union,
[illegible] and Central
[illegible] Apart from
[illegible] method employed
[illegible] size such as
[illegible]

[illegible] is not only the
[illegible] conditions in
[illegible] great advantage
[illegible] President to a reason-
[illegible] parliamentary control.
[illegible] of such a control is
[illegible] in view of the large powers
[illegible] given to the President in
[illegible]

ARTICLE II.

Section 1.

The executive power shall be vested
in the President of the Republic. He
shall be elected by the N
Assembly, in such manner,
such period as are provided in
I Section 11.

Section 2.

No person except a natu
citizen, or a citizen of the Rep
China at the time of the ado
this Constitution shall be eligib
office of the President of the Re
Nor shall any person be eligible
office of President of the Re
who shall not at the time
election, have attained the
years, and who shall not have b
years a resident within the Re
of China.

Section 3.

The President of the Republic
at stated times receive for his se
a compensation to be fixed by
which shall neither be increas
diminished during the term for
he shall have been elected, and he
not receive within that period any
emolument.

Section 4.

The President of the Republic
during his term of office be exe
from the process of all courts
the court of impeachment. After
expiration of his term of office,
shall be subject to the process of
courts for any illegal acts whic
may have committed while Presi
in such manner and to such extent
may be provided by law.

Note: While the Constitution of
United States does not expre

provide that the President shall be free from judicial control, the courts of the United States have announced this to be the rule of law. They have reached this decision both because the principle of the separation of powers seemed to make it necessary, and because they believed that freedom from all suits before the courts was a condition of effective work by the President.

Section 5.

The President shall be the Commander in Chief of the Army and Navy of the Republic of China; he shall have power to appoint all officers of the Republic including the Governors of Provinces, but Parliament may by law vest the appointment of inferior officers in the heads of executive departments, in the Governors of Provinces, and in the courts of law, and may by law prescribe the qualifications which officers, not heads of executive departments, must possess in order to be eligible to appointment. The President may remove or suspend all officers not judges, whom he has appointed, but judges may be removed from office only by impeachment or in the manner hereinafter provided, and the Parliament may by law prescribe that all officers of the Republic except the heads of executive departments, shall, before they may be removed from office, be given a copy of any charges which may be made against them, and be given an opportunity to be heard in their own defence.

The President shall have the power to grant reprieves and pardons for offences [illegible] in cases of [illegible] treaties [illegible] treaties [illegible] those which [illegible] treasury [illegible] one of the [illegible] be approved [illegible] ment.

Note. [illegible] section is [illegible] section of [illegible] States. [illegible] making [illegible] modeled [illegible] tion. [illegible] of the [illegible] scribe [illegible] officers, [illegible] President [illegible] be appointed [illegible] remove [illegible] connection with [illegible] powers in [illegible] should be noted [illegible] section to the President [illegible] to appoint and [illegible] provinces, is in [illegible] to which attention [illegible] directed, that the [illegible] Republic of China will [illegible] and not a federal [illegible] mention of the office of [illegible] province, finally, is in [illegible] general plan which has [illegible] in this draft, of leaving the [illegible] tion of the provincial [illegible] be prescribed by the [illegible] process of legislation. Every [illegible] if this draft is adopted, [illegible] ever have a Governor who [illegible] appointed, and may be removed, [illegible] the President of the Republic.

[illegible] to be necessary in [illegible] a well qualified and [illegible] service, to give to the [illegible] the right, in case the re- [illegible] is not taken by the [illegible] the Republic, to prescribe, [illegible] for office, and a method [illegible] from office which will [illegible] arbitrary removals for [illegible] reasons.

Section 6

[illegible] the duty of the President, [illegible] the Constitution and laws [illegible] executed. To this end [illegible] ordinances and re- [illegible] inconsistent with law, [illegible] the force of law. All [illegible] regulations must [illegible] Parliament within ten [illegible] issue in case Parlia- [illegible] session in case Parliament [illegible] session when such ordin- [illegible] regulations are issued, [illegible] ordinances and regulations must [illegible] Parliament within ten [illegible] Parliament next assembles. [illegible] may at any time repeal [illegible] ordinances and regulations by a [illegible] vote of each house, and such [illegible] shall be valid without the [illegible] of the President.

[illegible] failure on the part of the President [illegible] before Parliament, in accord- [illegible] with the provisions of this [illegible], any ordinance or regulation [illegible] he may prescribe by authority [illegible] section, shall be ground for [illegible]

Note: One of the characteristics of al- [illegible] modern nations, is the increase [illegible] the power of ordinance or regulation possessed by the executive. Many of t important parts of the law are regul ed in Great Britain by Orders Council issued by the Crown, or Provisional or Statutory Orders ma by some executive department and su mitted to Parliament for its approv The same may be said of France whe it is now recognized that the Preside has the constitutional right to issu decrees not inconsistent with la while in both Germany and the Unit States various laws passed by th legislature have delegated to the ex ecutive the right to issue ordinanc and regulations not inconsistent wit law.

The suggestion has therefore bee made in this draft that similar powe be granted in the constitution to th President. The grant of such powe would seem to be particularly nece sary in the conditions now existing i China. As has already been pointe out, the adoption of the permane Constitution will unquestionably b followed by the necessity for th passage of a vast amount of construc tive legislation. It is doubtful whethe any Parliament which can be expect ed to assemble in the immediat future will, with all the othe duties which will devolve upon it, b equal to this task. It is therefor desirable, on the one hand, to call th Executive to the aid of Parliament, b recognizing in the Constitution that h possesses a wide power of ordinanc and regulation, and on the other hand, to provide some safeguard, which wil leave the absolute and effective contro of the exercise of that power, i Parliament itself.

It is believed that such a safeguard has been provided in this draft in the requirements that a special session of Parliament must be called by the executive on request by a majority of both houses, and that the executive must speedily lay before Parliament any regulation or ordinance issued by him; both the duty to call such special session, and the duty to lay the ordinance before Parliament, being enforceable by Parliament through impeachment proceedings. These provisions, it is believed, amply assure that Parliament will have almost immediately after their issue, the opportunity to repeal, by a mere majority vote, any ordinance or regulation in the issue of which the Parliament may believe that the President has acted unwisely.

ARTICLE II.

Section 7.

The President of the Republic may, by proclamation, declare any province, or part of a province, to be in a state of siege. In case of the issue of such a proclamation, the district to which such proclamation applies, shall be under martial law until such time as the President by proclamation shall declare such district to be no longer in a state of siege.

Note: The power to declare a part of the country in a state of siege, is recognized by French and German rather than by English and American law. Provision has been made for it in this draft mainly because such a power is mentioned in the provisional Constitution. However the great size of [illegible] Empire will necessarily [illegible] isolated groups of people [illegible] great distances from the seat [illegible] ment control; should this [illegible] isolation tend to make [illegible] tices, or rebellion against [illegible] ment more easy, the right [illegible] martial law will also render [illegible] and speedy their suppression [illegible] more the physical position [illegible] as a nation surrounded [illegible] Powers differentiates [illegible] from that of America and [illegible] likens it to that of [illegible] France which are also [illegible] other great Powers: martial [illegible] prove to be an effective [illegible] protection of China's [illegible] outside disturbances and [illegible] The actual effects of the [illegible] a state of siege would [illegible] determined as a result of [illegible] ation of the general law [illegible] subject which Parliament [illegible] authorized to adopt as a [illegible] exercise of its general [illegible] powers.

Section 8.

The President shall from [illegible] time, give to the Parliament [illegible] ation of the state of the Republic [illegible] shall recommend to their consideration [illegible] such measures, in the form of bills [illegible] otherwise, as he shall deem expedient.

Such officers of the government [illegible] may be designated in writing by the President for the purpose, shall have the right to introduce bills into either house of Parliament, and to participate in the debates thereon, but it shall [illegible] con- [illegible] in [illegible] bills, and [illegible] the views of [illegible] through [illegible] other heads of [illegible] in the depart- [illegible], designated for [illegible] the President. On the [illegible] is desirable that Parlia- [illegible] have the power to oblige the [illegible] departments whose conduct of [illegible] is the subject of [illegible] before it and answer [illegible] which may be put to them.

Section 9.

The President of the Republic s each year, not later than . . , submit to the Parliament estimat the expenses necessary for carryin the government of the Republic for ensuing fiscal year, classified in s manner as may be provided by l and hereafter called the budget. B in case of emergency the Presiden the Republic may thereafter present the Parliament supplementary esti ates for its action.

In case the Parliament, before th expiration of the current fiscal yea votes the budget as submitted by th President of the Republic, the sa President is authorized, during th ensuing fiscal year, to draw money fr the Treasury for the purposes and the amounts provided for in said bu get. In case the Parliament fails vote, before the expiration of th current fiscal year, the budget a submitted by the President of th Republic, the appropriations for th current fiscal year as last voted by th Parliament at a preceding session, shall thereupon be the appropriations for the ensuing fiscal year: or in case the Parliament fails to vot any item in the budget as submitted by the President of the Republic, or makes a reduction in any such item which is not accepted and approved by the President of the Republic before the expiration of the current fiscal year, the provision for such item in the appropriations of the current fiscal year as last voted by the Parliament at a preceding session, shall be the provision for such item in the appropriations for the ensuing fiscal year, and in either case the President is authorized, during the ensuing fiscal year to draw money from the Treasury of the Republic, for the purposes and in the amounts provided for in the said appropriations for the current fiscal year as last voted by Parliament at a preceding session.

The drawing of money from the Treasury by the President of the Republic when not authorized by law or by this Constitution shall be ground for impeachment.

Note: The control of the government of a country, is centered in the control of the appropriation of its moneys. Any plan of government which is based upon the theory of a reasonably permanent and independent executive, must bear this fact in mind. Therefore such a plan of government should not permit the Parliament to make use of its power over the appropriations, in order to overthrow a government by refusing to grant money for the current work. It is for this reason that provision has been made, in accordance with which the government's actual necessities, as determined by the appropriations of the preceding year, will be provided for, even if Parliament shall fail to vote the budget, or particular items therein. On the other hand the Parliament should, in the interest of popular government, have the power to refuse to permit any further extension of the activities of the Government. Its refusal to entrust the Government with the power to expend larger sums of money than were [illegible] year, will not, [illegible] of bringing the [illegible] the Government to [illegible] not therefore subject [illegible] a greater parliamentary [illegible] provided for in this [illegible]

Section [illegible]

The President of the [illegible] annually within [illegible] opening of the [illegible] Parliament, submit [illegible] detailed statement, [illegible] expenditures of [illegible] fiscal year. Such [illegible] classified in such [illegible] provided by law.

The failure of the [illegible] Republic to [illegible] at the time [illegible] the manner [illegible] ground for [illegible]

Note: One of the [illegible] if not an absolutely [illegible] securing economy in [illegible] penditure, and the exercise [illegible] tive legislative control [illegible] action, is knowledge in a [illegible] sive and intelligible form, [illegible] in which governmet [illegible] been expended. In other [illegible] detailed statement of [illegible] expenditures is a necessary [illegible] good government. What the [illegible] of that statement should be, [illegible] determined by the character of [illegible] and expenditures. The detailed [illegible] such a statement cannot there[illegible] provided in a constitution, but [illegible] prescribed by law.

[illegible] and
[illegible] offices
[illegible] shall, at
[illegible] services
[illegible] be pres-
[illegible] shall not be
[illegible] continuance in

[illegible] may provide for the
[illegible] in the case of mis-
[illegible] may define misbe-
[illegible] part of judges, and
[illegible] a method by which it
[illegible] determined whether a judge has
[illegible] guilty of misbehaviour, but such
method shall among other
provide, that every judge against
removal proceedings are insti
shall be given a copy of any c
made against him, and an oppor
to be heard in his defence.

Note: The only details with
to the judicial system which are
ed by this draft, are those with
to the tenure and independence
judges. There would appear
the present time, an almost
recognition of the necessity of
independence during good beh
But it would seem to be necess
some method of determining
cases of misbehaviour should b
vided which is more easy of app
than impeachment. It has
been proposed to give to Parlia
right to prescribe a method by
judges may be removed for
haviour, the sole limitation u
discretion being, that a judge sh
be removed except after a hear
the nature of a trial.

Section 3.

The jurisdiction of the cour
the Republic, whether origin
appellate, shall be determined by l

Article IV.

Section 1.

Parliament shall have power t
by law the number and boundar
the Provinces of the Republic
until such laws shall be passed
number and boundaries of said
vinces shall remain as they are a
time of the adoption of this cons
tion.

Section 2.

Parliament may, by law, fix the powers and duties of the Provinces, and determine their organization.

Section 3.

Until Parliament shall have prescribed by law the powers of Provinces, each Province shall have powers of legislation concurrent with those of the Parliament, to pass laws which shall be operative within such province; but all laws adopted by a Province in the exercise of such concurrent powers of legislation shall before they are operative receive the approval of the President of the Republic, and may at any time be repealed by the Parliament.

Section 4.

Until Parliament shall have passed laws fixing the organization and duties of the [illegible] force [illegible] vinces [illegible] this C[illegible] force. [illegible] be fixed [illegible] Provinces [illegible] of the [illegible] change [illegible] expedient. [illegible]

This [illegible] by a [illegible] thirds [illegible] ment [illegible]

All la[illegible] the time [illegible] stitution [illegible] amended [illegible] law.

X

Interview: The Premier, the Minister of Posts and Communications and the American Minister.
Understanding between Russia and Japan with regard to Manchuria and Mongolia — American assistance in reorganization of Chinese Navy, River Conservancy, Economic development, Development of air fields, Tobacco monopoly. etc.

Peking,

No. 20

December 2, 1913.

CONFIDENTIAL

800.

The Honorable,
The Secretary of State,
Washington, D. C.

Sir:

With further reference to my confidential telegram of November 28, 6:00 p.m., I have the honor to report that on November 27th His Excellency Hsiung Hsi-ling, the Premier, and His Excellency Chow Tzu-ch'i, Minister of Posts and Communications, called on me. The Chinese Secretary of the Legation, Mr. W. R. Peck, was also present. The Chinese officials brought no interpreter, stating that the matters were of such importance that they desired to keep their discussion confined to as few persons as possible. All statements were made jointly by both officials, the Premier expressing them in Chinese and the Minister of Posts and Communications in English.

in English.

The subjects discussed were as follows:

1. Their Excellencies stated that Japan and Russia were suspected of having formed an understanding with reference to expansion in Manchuria and Mongolia, the terms of which apparently allow Russia a free hand in Outer Mongolia and Japan in the eastern part of Inner Mongolia, the railway to Jehol being part of this plan.

The Japanese are also continuing their activities in South China, being apparently desirous to weaken China and, if possible, to break the country in two.

Their Excellencies also called attention to the extraordinary efforts made by Japan to increase her naval establishment; and, while it was uncertain whether the objective point of these preparations was to be found in the United States, in certain island possessions, in China, or in Russia, the former appeared to them ~~would rather seem~~ the more likely alternative. On the basis of these facts, the Chinese Government desires the help of the United States to oppose the inroads made by Japan and Russia and, if possible, to enlist the cooperation of Great Britain and Germany in opposing the attempts to break up the Chinese Republic.

Their Excellencies stated that while they realized that probably an alliance between Chinese and the United States could not be concluded, the interests of the two countries were parallel and warranted political cooperation.

2. As a particular matter of assistance by the United States Government to China, the lending of

American navy officers and technical aid in the upbuilding of the Chinese Navy was mentioned. The Chinese Government is contemplating the carrying out of a contract made by the Imperial Government with the Bethlehem Steel Corporation (see the Legation's No. 2011 of November 11, 1913). It is planned to build vessels that may be used for commercial purposes, but will be convertible into warships, somewhat like the vessels of the Russian volunteer fleet. It may be possible to establish a steamship line to the United States directly, or by way of the Panama Canal. Assistance by the United States would not be needed until after a few years when vessels have been constructed and a regular naval program can be entered upon. If such assistance were announced at the present time it would serve only to arouse suspicions on the part of the rivals of the United States.

3. Their Excellencies spoke of the fact that China being a Republic, not only is the Chinese Government brought more closely to that of the United States, but it must also rely upon American moral support as well as assistance in administrative and constitutional problems. The different methods of adopting a constitution were discussed, among them the calling of a specially constituted convention.

4. The conversation then turned to assistance in industrial development. Their Excellencies urged that while the mutual friendship between the United States and China was strong, and while the Chinese Government would always value the friendly interest and counsel of the

United States, it was a great disadvantage that, while European Powers and Japan took a very important share in the development of the resources of China, very little had been done on the part of the United States; that it would naturally give the United States a position of greater influence if Americans should take their proper share in the development of China. The Chinese Government ~~was~~ is desirous of affording to Americans unusual opportunities should they be ready to cooperate in this matter.

5. Starting with the discussion of the project of the Huai River Conservancy, Their Excellencies outlined a large and comprehensive scheme of river and harbor improvement. It is contemplated to establish a national Bureau for this purpose and Their Excellencies suggested that the American Government would be invited to give its assistance by lending experts of wide experience and reputation to plan and conduct the works proposed. Their Excellencies stated that in making these proposals, China was offering to the United States more far-reaching opportunities than had been offered to any other nation.

6. The assistance of the American Government and the Legation was requested in the making of a contract with the Standard Oil Company of New York, whereby that Company would undertake the development of the oil fields in Shansi. It was stated that the Japanese were desirous of getting control of these oil fields and that the Japanese Minister was strongly pressing the matter;

but the Chinese Government was not desiruus to grant them a concession for fear that it would be used as a pretext for further railway extension and for the exercise of political influence.

7. The Chinese Government is contemplating the creation of a tobacco monopoly, and the assistance of the American Minister was requested in advising as to the legal difficulties involved, and especially in facilitating an arrangement with the British-American Tobacco Company, incorporated under British laws and largely financed by American capital, whereby this Company could act as the selling agent of the Chinese Government.

The American Minister promised to give these several matters his careful attention, to communicate them to his Government and to advise further with the Chinese Government as their proposals became more definite. It is apparent that the Chinese Government is looking for active assistance on the part of the United States, in line with the friendly interest which has always characterized the relations between these two countries.

With respect to the various proposals and suggestions made by the Premier and the Minister of Posts and Communications, I beg to submit the following observations:

The fact that the United States is a republic and that its institutions were the model upon which the present Government of China is founded constitutes in the minds of the Chinese a basis of cooperation and mutual political support. They very much desire to have this support take concrete form, both by way of helpfulness of the American Legation in diplomatic difficulties and especially in a more active participation of Americans in Chinese industrial developments and loans, such as the Chinese Government ~~expects~~ favors. They would be seriously disappointed if American professions of friendship were to remain without a concrete result in the way of helpfulness in particular cases and public undertakings. As it is well known that Americans go into these enterprises without any political implications, every American investment is to that extent an active support of the open door policy and the integrity of the Chinese Republic. The Chinese Government is, therefore, at the present time willing not only to urge American investment, but to invite American participation on especially favorable terms.

The plan of a comprehensive river and harbor improvement service is certainly one of the best proposals ever advanced by the Chinese Government. Not only would direct benefit flow from improved facilities of commerce and navigation, but, by rectifying the water system, floods with their attendant devastation and losses could be prevented. The organization of such a system would be a worthy task for the greatest of our engineers. There is an opportunity of performing a service of the utmost importance to the future welfare of the entire Chinese Republic, while at the same time furhher demonstrating to the world the efficiency of American methods in the organization of large engineering enterprises.

In the matter of the Shensi oil fields, direct negotiations are already going on between the Standard Oil Company and the Chinese Government, in which it has so far not been necessary for the Legation to take any part.

The creation of a tobacco monopoly proposed by the Government would, of course, be subject to exception under the existing treaties. I have not fully investigated the subject, but shall hold myself ready to advise further with the Chinese Government, and shall send a fuller report by the next mail.

The Chinese Government seems to lay a great deal of emphasis upon assistance to be furnished by the American Government in the matter of developing the Chinese Navy. This assistance was promised by the American Administration, under Mr. Taft. Its character is to be instructional and technical, not involving or suggesting a political alliance. But, while the Chinese Government is desirous of having the assurance at present that assistance of this kind will be afforded when the need for it has arisen, it feels that it would not desire to make any announcement at the present time, in order not to invite difficulties, such as counter demands on the part of other Powers which are all very anxious to get adviserships of this kind, and would look upon the advisership in the Navy as of special importance. American assistance in this matter is preferred for the same reason as in other fields, namely: the political disinterestedness of our Government.

Whether the suspicions voiced by Their Excellencies as to the cooperation between Russia and Japan with a view to the complete absorption of Mongolia and Manchuria are correct is a question I am not able to answer from the information at my disposal. At first sight, it would seem that a desire on the part of Japan to extend her influence over /eastern Mongolia would almost inevitably bring about friction with Russia, unless the latter were given opportunity of access to the Gulf of Chihli by way of the Province of that name, which is, of course, a thing Japan would desire to prevent at any cost. The general belief here seems to be that the extension of Japanese influence into Inner Mongolia is not welcome to Russia. On the other hand, Russia has so far made no move by way of protest or remonstrance, and it is therefore possible that assurances have passed between the two Governments, such as the Chinese Government suspects.

The present moment is very unfavorable for a revival of the system of spheres of influence, ~~but~~ and it is to be feared that a revival of this policy will be attempted, as strongly indicated by the diplomatic action of various of the Powers represented here. The most effective opposition that could be brought against a development so unfavorable, both to China and to the United States, would lie in the acquisition of economic interests in different parts of China. I shall keep the Department fully informed on this matter and shall, byt the next mail, send a report on the attempted localization of foreign economic influence, according to a scheme of national spheres of influence. It is, of course, not likely that such a policy will be openly announced or acknowledged by any Power until the movement has gone far enough to constitute a fait accompli.

I have the honor to be, Sir,

Your obedient servant,

(signed) Paul S. Reinsch

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A true copy of the signed original.

Interview.

The American Minister with the Premier and Minister of Posts and Communications.

November 27, 1913.

By appointment His Excellency Hsiung Hsi-ling, Premier, and His Excellency Chow Tzu-ch'i, Minister of Posts and Communications, called on Honorable Paul S. Reinsch, the American Minister. The Chinese Secretary, Mr. W. R. Peck, was also present.

All statements were made jointly by both Chinese officials. They brought no interpreter, stating that the matters were of such importance that they desired to keep the knowledge of their discussion confined to as few persons as possible.

In the course of the conversation Their Excellencies stated that there were three political subjects and three industrial subjects with regard to which the Chinese Government desired the advice and cooperation of the American Government.

Political subjects.

(1) Their Excellencies stated that Japan and Russia were suspected of having formed a coalition of policy with respect to China, especially with reference to expansion in Mongolia and Manchuria; that the Chinese

Government desires the help of the United States to oppose this combination, the terms of which apparently allow Russia a free hand in outer Mongolia and Japan in the eastern parts of Inner Mongolia, the railway to Jehol being part of this plan. The Japanese are continuing their activities in South China, manifested plainly in the late disturbances, whereby they wish to weaken China and if possible to break the country in two. The Chinese Government would like the United States to enlist the cooperation of Great Britain and Germany in opposing these schemes. Their Excellencies stated that Japan was making extraordinary efforts to increase her naval establishment and that this must be done with some object in view; whether this object was to be found in the United States, in Russia, in certain island possessions, or in China, was uncertain, but it seemed likely that such an alliance as was then proposed would be in line with the policies of the United States.

Constitutional matters.

(2) The Chinese Government would much appreciate assistance in China's administrative problems. It is now planned to have the Constitution drafted by the Governmental Council and submitted either to the Assembly for ratification, or to a specially constituted Constitutional Convention, after the plan adopted by the United States. Mr. Reinsch ~~suggested a~~ inquired concerning a plebiscite, but the Premier considered that there would be, perhaps, obstacles

of a practical nature in the way of such a scheme.

(3) Naval development.

The Chinese Government desired the assistance of the United States Government in the carrying out of the contract made by the Ch'ing Government with the Bethlehem Steel Company. It is desired at present to convert the works contemplated under that contract to commercial uses, for the present, in order to avoid the arousing of suspicion on the part of Japan. Convertible ships adapted to naval uses might be constructed first, possibly with a view to steamship lines to the United States, and after two or three years a regular naval program entered upon.

Industrial subjects.

(1) Shansi-Shensi Oil Fields.

The assistance of the American Government was requested in the making of a contract with the Standard Oil Company whereby that Company would undertake the development of the oil fields in question. It is not desired that Japan's request for these oil fields be granted, although the Japanese Minister had pressed the matter, for fear that they would be used as a pretext for further railway extension.

(2) Tobacco monopoly.

The Chinese Government desires to create a tobacco monopoly and the assistance of Mr. Reinsch was requested in the making of an arrangement with the British American Tobacco Company, a concern understood to be largely financed by American capital.

(3) River and Harbor Improvement Scheme.

A

A large and comprehensive scheme of river and harbor improvement is under consideration by the Chinese Government and in this the Chinese Government requests the assistance of the American Government. It would include the Huai River project.

Their Excellencies stated that in making these proposals to the American Minister China was offering to the United States more far-reaching opportunities than had been offered to any other nation.

The interpreting at this interview was done by His Excellency Chow Tzu-ch'i.

Political Situation.

Peking,

No. 51 December 23, 1913.

800

The Honorable,

The Secretary of State,

Washington, D. C.

Sir:

I have the honor to transmit, for the information of the Department, a memorandum on the political situation, prepared by Mr. Willys R. Peck, Chinese Secretary of this Legation, as well as a number of cuttings from the PEKING DAILY NEWS on the same subject.

I have the honor to enclose, also, a copy in translation of a Presidential Order, dated the 18th instant, enclosing a copy of a telegram from the governors of the various provinces to the President, recommending the postponement of the reopening of the Parliament, and the granting of authorization to the Administrative Council for drawing up a Constitution.

I have the honor to be, Sir,

Your obedient servant,

(Sgd) Paul S. Reinsch

Enclosures:
As stated.

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A true copy of
the signed orig-
inal.

The Political Council.
(Cheng Chih Hui I)

December 19, 1913.

On November 26, 1913, a Presidential Mandate was published in the Government Gazette announcing the convocation within a few days of a Political Council. It was stated that the Council would be constituted as follows: "The members from the Provinces (two from each. Tr) will assemble in a few days. In addition the Premier will select two members, the heads of Ministries will each select one member, there will be two legal members, the Bureau of Mongolian and Tibetan Affairs will select a number of members." The President himself has selected the following members: etc."

While the most talked of subject at the present time and obviously a most important development in the trend of political events there is curiously enough very little authoritative information to be gleaned with respect to this Council. The Government Gazette has contained allusions to it on only three days; on November 26th one was found in the Presidential Mandate quoted above, which contained a list of the President's appointees, eight in number. On December 12th Mr. Li Ching-hsi was appointed Chairman and two names were substituted for names previously included among the President's representatives, while on December 14th a Vice Chairman and a Chief Secretary were appointed.

It is interesting to note that the President personally in conversation with the American Minister repudiated the idea that the Council was intended to supplant the Assembly in legislative function. What the President and the Cabinet had in mind in creating this organization can be gathered, however, by reference to the addresses delivered on the occasion of the convocation of the Council on December 15, 1913.

In the President's address read that day by Mr. Liang Shih-yi, Chief of the President's Secretariat, occurs a statement to the following effect: "I, the President am convinced of the necessity of gathering the opinions and ideas of the majority, so this Political Council has been created in the Capital with a view to joint working with our countrymen for the reconstruction of the Republic. All the members assembled here today are specially selected from among those officials and others who are experienced in Chinese administration and it is hoped that they will give their good advice to the Government with regard to the introduction of necessary reroms."

In another lengthy address from the President, prepared for distribution among the members of the Council occur the following passages; here summarized: "As you are men of much knowledge and experience I am sure you will be fully capable of assisting the government in formulating its policies, and in speaking for the people, so as to remove all the obstacles between the Government and the people." "Now those who fought for equalityn and liberty without bounds did not believe in their hearts in any such doctrine; they simply used it to futher their schemes to disturb the country." "Again, the term Republic is a beautiful term; but it only implies that the people have the right to know about the affairs of the state, not that everybody can have a hand in it. If everybody tries to put in a hand there will surely be confusion. "Popular Rights" only means that people have the right of suffrage, representation in deliberative bodies, and the supreme right of electing their own President. It does not mean that they have the right to administer the government." "At the present time there are too many theorists in the country and most of their talk and suggestions cannot be put into practice."

The gist of the President's remarks seems to be that the pressing necessities of the moment, the actual capabilities of the Chinese race, and the lessons of Chinese history, must guide the Government at the present time. He does not believe that the whole theory of government as practiced in China hitherto can be discarded in toto, and western ideas substituted therefor.

On the day of the convocation of the Council the Premier's address, made on behalf of the Cabinet, took the same tone. "In order to effect reorganisation in our country we must first carefully examine the past history of our Nation and the existing condition of the people." He likewise alluded to the past experience of the members of the Council in "financial, administrative, and other branches of the Government".

In the absence of official utterances with reference to the functions and powers of the Political Council, already referred to, an idea regarding them can only be deduced from the local press, foreign and Chinese. From the press it is learned that subjects of administrative, fiscal, and other character will be submitted to the Council for its consideration. Presumably the President and Cabinet will be guided by the decisions arrived at. The President's Office will exercise strict control over the subjects submitted. From the characters of the men appointed to the Council the nature and trend of its decisions may be forecasted with considerable accuracy. The Chairman of the Council is Mr. Li Ching-hsi, a well-known official of the Ch'ing régime, whoseofficial career terminated at the time of the Revolution when he was Viceroy of Yunnan. He is a nephew of the late Li Hung-chang, is reputed to be, or at least to have been, an opium smoker, and cannot but be a strong advocate of the old order of things. He was appointed by the President. The remaining seven of the President's appointees are men held in high repute among the governing classes of the old school. But it is in no degree likely that they are of republican tendencies, nor even possessed of information with regard to republican institutions. They are simply men of great experience in the actual governing of their countrymen, of distinguished learning in the classics, and of reputation among the substantial men of the Ch'ing period.

Both in his lengthy address to the Council and in his conversation with the American Minister the President has referred in terms almost bitter to the lawlessness and corruption, to the knavery and self-seeking that have masqueraded in Kuangtung and Kiangsi, provinces most pronouncedly republican, under the name of "Republic". That this has been the fact can not be gain-said. It is therefore not to be wondered at that he has collected about him a body of men to serve as the advisors of himself and the highest officials of the country who, only yesterday, would have been considered intelligent and worthy of great respect. Those members of the Council not directly appointed by the President were selected by his appointees, the members of the Cabinet and the provincial authorities, and while their names are comparatively unknown in the Capital they are in all probability of the same type as his known.

That the President, whether of his own volition or as the tool of his *camarilla*, composed of men whose plitical fortunes are absolutely dependent on those of the President, is seeking at least temporary absolute power, is a hypothesis accepted by most foreigners in China, and by Chinese as well. This hypothesis is likewise upheld by the President's course of action. After midnight last night (under date of December 18, 1913) there appeared in the Government Gazette the copy of a long telegram signed by every prominent provincial official in the Republic describing the utter lack of success and accomplishment of the Assembly, urging that the remaining members thereof be given traveling expenses and sent home to await the re-convoking of the Assembly, presumably by the President, and advising that the distinguished example found in American history be followed and the Political Council be made a Constitutional Convention and entrusted with the drawing up of the Constitution. The President in a Mandate signed by every member of his Cabinet referred this telegram to the Political Council for consideration and report.

This telegram and the Mandate issued in response to it bear both internal and external evidence of a carefully framed *coup d'état*. Internally it is undoubtedly, as a well-informed Chinese states, the literary workmanship of Mr. Jao Han-hsiang, formerly Civil Governor of Hupei with Vice President Li Yuan-hung, who has now been appointed one of the President's representatives in the Council. Externally considered, the telegram is signed by every Military and Civil Governor and special Commissioner in the country, which could hardly have been accomplished after due consultation with all the gentlemen whose names appear. Moreover, all the occurrences of the last few weeks are so extremely apposite as to appear to have been staged. No sooner are the Kuo Min Tang members of the Assembly expelled therefrom, thus rendering the Assembly *hors de combat*, than the Political Council appears on the scene, only to be supported by a telegram emanating from all the prominent officials of the Republic.

The tendency of everyone at the present time, both among foreigners and Chinese,xxx is to "wait and see".

Even among the most ardent supporters of a pure Republic for China there is a recognition of the immense difficulties standing in the way, of the present inability of the mass of Chinese citizens to understand and support such a form of Government, and of the mountainous obstacles that the President must surmount in carrying on the practical administration of the Government in this "time of fording the river", to use a Chinese phrase. In all probability some months will be allowed to elapse before any active o pposition will be manifested to the apparently dictatorial aspirations of Yuan Shih-k'ai. At the end of such a period measures will be taken, so a person closely connected with the extremists says, measures of a nature probably directed against the President himself and having as their object his removal from the political arena.

In the meantime there are many who believe that Yuan is acting with patriotic motives, that he really considers that the only force that can amalgamate the present mêlée of warring factions, that can reconcile the modern extremists and the vast bulk of the nation caring "for none of these things", is a strong central power, centered in himself, a power that will ultimately be able to bring it about that, to quote his own words, "xxxxx "externally there shall be good and friendly relationships and internally there shall be peace between the weak and the strong.

Respectfully submitted to the Minister,

(Signed) Willys R. Peck.
Chinese Secretary.

A true copy of the signed original. W.J.

[illegible] DAILY NEWS, December [illegible]

The Administrative Conference.

Inaugural Meeting of December 15.

The Cabinet Office has issued a notification to the effect that the inaugural meeting of the Administrative Conference will take place on December 15th. The notification reads as follows:—

"As nearly all of the delegates to the Administrative Conference have arrived in Peking, we have decided that the inaugural meeting of the Conference shall be held on December 15th. The Conference will meet in the hall of Tuancheng inside the Pei Hai, north of the President's residence.

"At 10 A.M., the Premier will take the delegates to the President to hold an audience. The delegates will wear frock-coats. At 9 A.M., the delegates will proceed to the President's Office. Ushers have been appointed by the Ministry of Interior who will receive the delegates at the Hsinhuamen (新華門).

"When the audience is over, the delegates will be entertained by the Cabinet Office.

"At 3 P.M., the inaugural meeting will be held. Besides the delegates to the Conference, the Cabinet Ministers, the Chief Justice of the Supreme Court, the Vice-Ministers, and the Chiefs of various Bureaux, will also be present."

Ceremony for the Audience.

The Secretariat of the President's Office has drawn up the programme for the audience to be held in the morning of the Fifteenth. A notification issued by the Secretraiat reads as follows:—

At 9.30 a.m. on D[illegible] the delegates to the [illegible] Conference will assem[illegible] President's Residence [illegible] send in their cards. The [illegible] camp to the President wi[illegible] the delegates into the [illegible] room, where they will res[illegible] while. Then the Premier a[illegible] Minister of Interior will gu[illegible] delegates to the Chu Jen H[illegible] ([illegible]堂), where they will tak[illegible] proper positions according [illegible] prescribed order. Then the [illegible] sident, accompanied by the C[illegible] and Vice Secretaries, will enter [illegible] ceremony hall and stand in [illegible] centre. The Cabinet Ministers w[illegible] stand by the side. The deleg[illegible] will then make three bows to [illegible] President, and the President [illegible] return the bows. The delegates will take their seats. The President will then deliver a speech, after which the delegates will again make a bow. The President will then retire. The delegates will also retire, and the Cabinet Ministers will go with them to the Cabinet Building.

President's Speech.

Instruction to Delegates.

The following is a translation of the speech delivered by the President before the delegates of the Administrative Conference on the day of its inauguration:—

"The permanent Government has been established. Though incapable as I am, I have been elected formal President in succession to my previous post as Provisional President. It is fortunate that I am able to secure the assistance of the various Ministers of the Cabinet who cheerfully share my heavy responsibilities. I will do my best in carrying out my duties in order to revert the stormy tide and consolidate the foundation of the Republic. I have repeatedly consulted the Ministers, and now we have outlined the General Policy the revised form of which will be issued for public infromation in a short time. We hope to carry out the policy in a proper manner.

"Comparatively China has a larger territory and population than most of the other nations on the five Continents. And as the country is large we fear that our policy may not suit the needs of every district and if we fail to collect wise counsels throughout the nation, the inevitable result will be that the policy which suits the North may not suit the South. The carts constructed without considering the condition of the roads on which they will run may not be fit for traffic purpose. If there is any part in the policy that does not suit the local conditions, there will be obstacles in the way of its enforcement. I therefore resolved to call this Administrative Conference to [illegible] assistance to the Executive [illegible] ment. Some of you have [illegible] education and some are [illegible] experience and as you have [illegible] come to join this Conference [illegible] believe you will be able to [illegible] the people's interests and [illegible] the welfare of the nation. [illegible] you aim at benefiting the people [illegible] the nation, [illegible] causes the decay of the na[illegible] [illegible] the people.

"The Manchu Emperor [illegible] his throne after the out[illegible] Wuchang and what was accomplished in Europe and America [illegible] cost of terrible bloodshed [illegible] period was achieved in [illegible] in a few months. The [illegible] were proud of being [illegible] a republic. Though [illegible] change of government [illegible] monarch to a republic, the [illegible] flag was changed to a five-[illegible] one. When China becomes [illegible] strong power our citizens [illegible] be proud of being the people [illegible] strong nation. The people are [illegible] ignorant of the fact that the strength of a nation depends upon the good interior administration and diplomatic position, both of which depend upon the centralization of the government, not upon the form of the government. The Republic is the best form of costitutional governments, and I like it. But I dare not say that China would become strong soon after the change of the form of its government. The interior administration is in a very bad state. Sons refuse to obey their fathers, wives refuse to obey their husbands, subordinates refuse to obey their superiors, soldiers refused to obey their commanders. The administration of the nation can not be unified because people [illegible] consider the obedience [illegible] as an insult and take [illegible] for equality. They do not know that equality means the abolition of the difference between aristocrats and plebeians, but it does not mean the disregarding of orders. The misunderstanding of the meaning of equality is the primary cause of the disorder in the Administration. As the people have become unrestrained, they usurp power, and they try to get profit in the name of liberty. They make plots in the name of the freedom of organising societies, they disseminate rumours in the name of the freedom of speech and they commit every kind of unlawful deeds under the pretext of liberty. The lives and property of the weak class are injured by the strong, and great trouble was created. Such people are ignorant of the fact that liberty should be bounded by law and the violation of law does not constitute liberty. The misconstruction of the meaning of liberty is the second cause of the disorder of administration.

In Europe and America, republican governments are established for the purpose of securing welfare for all the people. Formerly, in monarchical governments, the power of administration was in the hands of one family and the prosperity or weakness of a nation had no connection with the people. With the development of the people's rights, the people gradually came to understand that the people were the masters of a nation which did not belong to one man or one family only. Monarchical government was overthrown and republic was established and the people thus obtained the equality of rights. The equality of rights does not mean that everything in the nation should [illegible] However, since the revo[illegible] [illegible] such talks as "p[illegible] sion of property," "public [illegible] sion of wife" have been [illegible] the robbery of property, rape [illegible] other piratical deeds commit[illegible] if they were allowed to do [illegible] law. The misunderstandi[illegible] republicanism is the third [illegible] [illegible]

[illegible] to the above [illegible] the administration [illegible]

Claiming the merit in the [illegible]lishment of the republic, [illegible] called "heroes of the revolu[illegible] became so unruly that they [illegible] the Government's orders, [illegible] upon the people committing [illegible] robbery and what not. [illegible] they succeeded in their [illegible] attempts, they usurp the Gov[illegible]ment's power, and when they fail, they embezzle public money and fled to foreign countries. Such "heroes" maltreated the people in the name of equality, they encroached upon other's rights in the name of liberty, and they sacrificed the people's lives and property for their selfish interests in the name of republicanism.

"The finance of China is in stringency. Her liabilities are already great and there is no further source where from she can borrow. Historically the wealth of a nation relies upon the people. The same is true in Europe and America. A classical saying has it that if the people are rich, why should the king be anxious for his poverty and should the people be poor how could the king be content with himself. The same theory can be applied to the Republic. Those radicals not only emptied the public treasury but also robbed the people of their property. Consequently, both the [illegible] and the government become [illegible] the Government lacks the means to improve the interior administration.

In regard to the diplomatic affairs, the greatest difficulty has been experienced. Though the Sino-Russian Treaty has been concluded the Urga independence has not yet been repealed. Great Britain is very firm in her demands in the Tibetan Conference. Other powers also greedily gaze upon us in the hope to obtain a share in the Far East. It is absolutely impossible to regard the country as safe merely because a Republican Government has been established.

The condition of diplomatic affairs is always gauged by the condition of interior administration. If our administration is in good order, the Powers would be more friendly to us; otherwise we should not blame others, for we have been unable to manage our interior affairs properly. It is therefore not to be surprised at that we have been in great disadvantage in diplomatic dealings, because our interior affairs is in a bad condition which is due to the weakness of the Government.

"That the family and the nation are closely related to each other, is a common saying. It is more true in the present days. If the nation perishes, the family cannot escape calamity. For instance, if the skin is destroyed, where can the hair grow?

"Formerly the nations were secluded from one another, and there was no such theory of the extermination of the race after the destruction of the nation. Every man could always be a subject no matter by whom he was governed. But now the theory [illegible] extermination of a race [illegible] destruction of a nation [illegible] and if a nation perishes, [illegible] would unavoidably be [illegible] they would sooner or later be [illegible]minated. In view of this [illegible] instance, I therefore [illegible] responsibility to our nation [illegible] is now beset by trouble [illegible] and encroachment without. [illegible] and property have been [illegible] but I care not [illegible] protection to the [illegible] lives of our people. [illegible] also attacked frequently [illegible] not care so long as I [illegible] people good. I will let the [illegible]erity judge me. I will [illegible] consolidate the government, [illegible] prove our administration [illegible] develop the strength of the [illegible] To save the nation is equal [illegible] salvation of my own posterity [illegible]erations. I am absolutely un[illegible] to see myself or the posterity [illegible] enslaved by other nations.

"All of you delegates are [illegible] Your object is the salvation of [illegible] nation and the people. You [illegible] now come to the work. There [illegible] many ways to save the country [illegible] to relieve the people, but first [illegible] all you should have a resolute [illegible] to shoulder responsibilities. [illegible] Ching Dynasty perished because its officials mostly avoided responsibilities. With the establishment of the Republic, such terms as the love for the country and love for the union became very current. But it has been proved that empty words are of no use. You should truly take up reponsibilities and you should push on the work for the removal of obstacles and the improvement of affairs with united efforts. You should be prepared to sacrifice your life, your property and your name [illegible] sacred work. The [illegible] [illegible] from danger to safety depends upon you.

"I have another important advice to you. You should not talk too much of theory of books, but you should always take into consideration the special conditions of this nation. I will cite the instance of the independence of the judiciary. I began to advocate judicial independence when I was Viceroy of Chihli. But there are difficulties which the common scholars do not know. Firstly there are no competent judicial officers and secondly there is no money. The procuratorates are established with the view to ensuring justice. Unexpectedly, the judicial officers have no qualification for the post and also no experience. Whenever a case happens they are unable to give judgment and people are frequently wronged. Moreover, owing to financial stringency the judicial officers are not given good salaries and consequently corruption becomes prevalent which cannot be prevented by law. If we wish to secure the real advantage of the independence of judiciary, we must wait for the time when our finance becomes better and properly qualified men are available. Otherwise, if we allow the incompetent officials to give improper judgment and corruption is not prevented, the people would suffer acutely from the judicial independence more than they do when the judiciary is not independent. The judiciary is but one of the many branches of the administration of the Government.

"It is very difficult to expect the people to do away with their old habits. Just see Japan. She has introduced reforms into her [illegible] for many years already, but [illegible] her people still wear [illegible] But the radicals cannot [illegible] such difficulties.

"You are prepared to [illegible] responsibilities. You must [illegible] to sacifice everything of [illegible] And if you take into consid[illegible] all difficulties connected with the introduction of reforms you will [illegible] help removing them. When [illegible] interior administration is improved [illegible] diplomatic dealings will be facilitated thereby. We hope that we will shortly have a strong government to develop the country. True blessings of Republicanism may then be enjoyed. Your effort to save the nation would therefore be the [illegible] sion of yourselves."

[illegible]

PRESIDENT'S SPEECH

No-one who reads the President's speech delivered at the inaugural meeting of the Administrative Conference can fail to sympathize with his untiring efforts to better the condition of the country, and with many of the difficulties which he has to overcome. The President has in hand the important task of making the people thoroughly understand Republicanism and correcting their erroneous conception of a democratic government and teaching them what is their duty and what are their rights. No Republic whose people do not comprehend its purport can become stable. Equality and liberty are the essential attributes of a republican government, but some of our people do not quite grasp their deep significance. The President traced the fundamental causes of the disorderly government to the people's misunderstanding of the meaning of equality, liberty and Republicanism, which prevents the formation of a centralized Administration. A centralized Government insures peace at home and wins respect abroad, but the centralization of the present Administration cannot be soon secured because many of our people take disobedence for equality and license for liberty. "Sons refuse to obey fathers; subordinates disregard the orders of their superiors; and soldiers look askance at their commanders." A number of the people abuse freedom in whose name they plot against the Government, circulate disquieting rumours, committ crimes or create disturbances [illegible] forget that liberty should be [illegible] by law, and the violation [illegible] is not liberty.

The President said that the [illegible] understanding of [illegible] Republicanism is [illegible] largely accountable for the [illegible] disorderly Administration. [illegible] of the people [illegible] that th[illegible] themselves to the [illegible] tions.

It takes time for the [illegible] Government to [illegible] these [illegible] and centralized Adminis[illegible] without which it is futile to [illegible] improve our national sta[illegible] abroad. The Powers, as the Pre[illegible]dent pointed out, would be [illegible] to us if we have put our [illegible] order. First of all, therefore, [illegible] must reform her internal adminis[illegible]tration, and an enormous amount of work is involved in the [illegible]. Our officials must realize [illegible] importance of working [illegible] the salvation of China and [illegible]ing responsibilities. Mere [illegible] would not reform the administration. We must have men like President Yuan who does not talk or dream of wonderful possibilities, but works in earnest. Our so-called heroes have ruined themselves by empty talk, and this can serve as a warning to those now in power. It is pertinent for the President to advise the delegates not to lay too much emphasize on theories, but get down to business. The President himself is a man of practical experience, who has found that mere theory sometimes would not work, and that beautiful ideals were not useful. It is the President who was responsible for the quick suppression of the late rebellion. The people are now [illegible] and tranquillity; commerce flourishes; industrial activities revive; the credit of China is improved. We therefore hope that the delegates will take his words to their hearts and shirk not the great responsibilities reposed in them.

With Yuan Shih-kai at the head of the country China can make progress, slowly but steadily, despite numerous obstacles just mentioned. President Yuan has shown to the world that he can maintain peace in the country. In calling the Administrative Conference, he intended to carry out the second part of the programme of the Republic, namely, that the people should be taught Republicanism. All the President's efforts to make the country a better place to live in are worthy of unreserved commendation. If he has accomplished nothing else during the last two years than the preservation of peace and the making of plans for the development of the nation and the reform of internal administration, he deserves the gratitude of the people and the admiration of mankind.

PEKING DAILY NEWS, December [illegible]

[illegible] Li Interviewed.

[illegible] *Asiatic Daily News* published the following interview with Li Ching-hsi, Chairman of the Administrative Conference:—

The Abolition of Provinces.

Asked about the abolition of the provincial system, Mr. Li said that he did not think the proposal was a wise one. The President said that this proposal was suggested by those inexperienced persons who were only idealists. If the provinces were abolished in favour of eighty three "Chows", then the Government would be placed in a disadvantage in controlling them. Should there arise any disturbance, it would not be easy for the Government to hold so many districts together. [illegible] ever, he said, China's finance [illegible] not allow of such change which would require a great amount of money. If this proposal was adopted, it would mean suicide for China. When the Administrative Conference began regular meetings, this would be the most important of all matters and Chairman Li said that the delegates should exercise the utmost care when this matter was brought up.

The Fate of the Parliament.

Asked about the fate of the National Assembly, Mr. Li said "It is feared that the National Assembly will not be preserved and it is doubtful whether there will be a National Assembly next year. It is wrong to say that the question of the Constitution was the cause of the political storm. The Government has been badly restrained by the Provisional Constitution, and it can not expect the National Assembly to obey its order. In a word, the P[illegible] believes that in the co[illegible] two years the action of the [illegible] ment should not be restr[illegible] law. In his speech the othe[illegible] the Administrative Confere[illegible] President said that at the beg[illegible] of the establishment of the [illegible] ment the only thing necessar[illegible] good government which [illegible] able to lead the people [illegible] proper path, but that law [illegible] [illegible]ary thing. How[illegible] [illegible] regards the [illegible] as necessary to the Gov[illegible] have heard that he would [illegible] fessor Goodnow and Dr. [illegible] draft the Constitution. [illegible] Constitution is being dr[illegible] will be first submitted to [illegible] ministrative Conference and [illegible] its approval in the Con[illegible] will be given to the p[illegible] public voting. There were [illegible] that the President did not [illegible] Constitution and also other [illegible] criticisms against him, but [illegible] persons do not know the diffi[illegible] of the President."

The Cabinet.

Asked about his opinion [illegible] ing the present Cabinet, Mr. Li said that the members of the [illegible] sent Cabinet were really first [illegible] statesmen. But the Cabinet [illegible] laid too much emphasis on [illegible] literature in making the Gen[illegible] Policy. For the enforcement of the Policy we must wait for sometime. Minister Chang Chien of Industry is an old scholar of Kiangsu and he has been devoting his energy to industrial enterprise fora long time. Although his qualifications are not completely satisfactory, he may be called the pillar of the Cabinet. Premier Hsiung has great ambition, but his activities have frequently been restricted by the Government and he has always been willing to take up an important post in the province in order to show his ability. This might be the reason why there were rumours of his appointment to an office in the province.

Hsu Shih-chang.

Asked if he would take up any other official appointment in the Government besides the post of Chairman of the Conference, Mr. Li said that he feared that he might not remain long in his post as Chairman. He said that Mr. Hsu Shih-chang was the best statesman of China to-day, but he did not know of whose serve the President had the highest appreciation.

[illegible]'s Mandate Reviewed Tutuhs' and [illegible] Joint Telegram Urging Remaining M.P.'s to Return Home.

President Yuan Ordered the Administrative Conference to Decide upon a Definite Course of Action.

A very important Mandate was issued at three o'clock this morning. The Mandate reads as follows: "I, the President, am in receipt of a joint telegram from Li [illegible], Tutuh, and Lu Tiao-yuan Civil Governor of Hupeh and the Tutuhs and Civil Governors of all the other provinces, stating that since the establishment of the Republic, very little has been accomplished by the legislative organ, and requested that their earnest advice for the salvation of the country be referred to the Administrative Conference, etc.

I, the President, am painfully conscious of the fact that the Republic has been established for two years, but that on account of various circumstances it is extremely difficult to attempt at any constructive work. The advice of the Tutuhs and Civil Governors are given for the salvation of the country, and I deem it proper to submit their telegram to the Administrative Conference. The delegates to the Administrative Conference shall speedily discuss the telegram, decide upon the course of action, and report to me in detail."

Signed by

Premier and Finance Minister Hsiung Hsi-ling.

Minister of Foreign Affairs, Sun Pao-chi.

Minister of Interior Chu Chi-chien.

Minister of War Tuan Chi-jui.

Minister of Navy Liu Kuan-hsiung.

Minister of Justice Liang Chi-chao.

Minister of Education Wang Ta-

The National Council [illegible] convention for a long [illegible] failed to achieve anything [illegible] formal Parliament [illegible] seven months, and [illegible] millions of dollars, but [illegible] nothing has been [illegible] Although there were some [illegible] patriotic sentiment, but [illegible] denied that most of [illegible] selfish interest and were [illegible] party strife, and had no [illegible] the welfare of the nation [illegible] the President, have taken [illegible] action and unseated all the [illegible] mentary members belonging [illegible] rebel party, and ordered the [illegible] Parliamentary members [illegible] their places. Even if all the [illegible] come up to Peking, we do [illegible] believe that with eight [illegible] men who will most likely [illegible] old path of party strife, [illegible] beneficial can be done to the [illegible] try. The foundation of the [illegible] is just laid and there are hundreds of important law bills. The Parliament that did not pass a single important law bill for seven months, will not accomplish much even if it were allowed to continue for a hundred years. The country is in grave danger, and surely we must not delay to take steps to save the country. Yuan Hung and others are citizens of the Republic and we cannot bear to keep silent and let the country go into destruction. The Administrative Conference has now been convened, and is similar to the [illegible] tion formed by the delegates of the thirteen States of America, which

Minister of Justice Liang [illegible]

Minister of Education Wang Ta-hsieh.

Minister of Industry and Agriculture Chang Chien.

Minister of Communication Chow Tzu-chi.

The Joint Telegram.

The joint telegram signed by Li Yuan-hung and the Tutuhs and Civil Governors of all the provinces is summarized as follows:—

With the establishment of the Republic, the people of the country had high expectation of the legislative organ which they believed would assist in carrying out the constructive work for the nation. [illegible] and is similar to the [illegible] tion formed by the delegates of the thirteen States of America, which [illegible] George Washington [illegible] revision of the Constitution of the United States. Yuan [illegible] others know that the whole [illegible] disapprove of the conduct of the bad Parliamentary members, and the people of the various [illegible] countries hold the same [illegible]. The President needs not [illegible] doing the proper thing. As [illegible] M. P.'s now remaining in Peking cannot assemble again, we request the President to give passage money to these members and let them return to their native provinces to await the next convocation."

Serial No. 64.

Political situation in Szechuan
Sub.
Aug 22/13
Recd. 23 AUG 1913
Ack.
Ans. Dup. to Dept. 22 AUG 1913
Ref.
A.

American Consulate.
Chungking, China, July 28, 1913.

Subject: __Political Situation in Szechuan__.

Honorable E. T. Williams,
Chargé d'Affaires,
American Legation,
Peking, China.

Ack. Recd with int.

800.

Second Secretary.

Sir:

I have the honor to state that, while some degree of uncertainty always exists, the political situation in this province is gratifying and reassuring compared with that in many other provinces or in China as a whole. For very many months there has been a grave possibility of trouble, an element of considerable danger. The danger, however, was only latent and depended entirely upon the return of Yun Tutuh from the Thibetan Marches and his attitude and that of his soldiers toward Hu, the present Tutuh, who until recently was only the Acting Tutuh. In section No. 2 of my general report of November 1st, 1912, I stated that "the old differences have been adjusted and Chengtu is now comparatively quiet, but if Yun Tutuh returns with his large following there is likely to be a clash, though such a result is by no means certain."

As previously reported, Hu, the present Tutuh, is a very worthy man in every way. He is progressive but not radical and has steadily followed a constructive program. He has displayed rare judgement and tact and has consistently supported the central government. That he should make some enemies, however, was inevitable and that they should turn to Yun, his rival, was most natural. Rival political parties squabbled with each other and tried to create popular agitations. Altogether the political situation was quite unsatisfactory, but since it varied only a little from that in most other parts of China and did not tend in any way to involve foreigners - except in so far as they meddled, as some of them did - there were no features of special or unusual interest. It was all incidental to the period of reconstruction which was bound to follow the revolution of 1911. The possibility of a clash between Yun and Hu was the one ominous war-cloud which cast a threatening shadow. While I could not take the same grave view of the situation as my British Colleague did at Chengtu, I quote as follows from a letter which he sent on May 22nd last to the British Legation, for his words indicate the serious developments which might have taken place and which are still within the realm of possibility:

> "There is at the present moment and has been for some time past the greatest possible tension between the opposing political parties in Chengtu and the situation is even now such that further revolutionary disturbances are by no means out of the question."

The crisis was reached when Yun Tutuh returned to Chengtu on the 3rd of this month with several thousand of his troops which had fought with him on the Thibetan border. As stated in my various reports* with regard to the Thibetan campaign, he did not leave for the border with any willingness, he conducted the expedition in a most inefficient manner and tried in every way to return to Chengtu and make himself the Tutuh, having held that position there previously. Yuan Shih Kai, however, repeatedly telegraphed that he should continue his work in the Thibetan Marches and he therefore stayed there under protest. Upon his return to Chengtu he was urged by many to proclaim himself the Tutuh there and to assume charge. He went directly, however, to his own residence and awaited developments. Means were taken to ascertain the will of the people. Three of the five army divisions declared themselves in favor of Yun while two espoused the cause of Hu. The Provincial Assembly voted in favor of Yun and notified Hu accordingly. He replied that the Assembly was merely a legislative body and lacked the authority to make administrative changes of such a character. He telegraphed to Yuan Shih Kai the news of what had happened and the gist of his reply to the Assembly. Yuan Shih Kai approved of what he did and confirmed it. He also telegraphed to Yun inviting him to go to Peking and promising him high honors there. This settlement of the affair was accepted by all concerned. Yun and Hu gave evidence of mutual good will and present reports from Chengtu indicate that the situation there is such as to remove any great cause for anxiety.

While, as reported some months ago, there was great opposition in this district to the manner in which the Peking government contracted the foreign loan, the resentment does not seem likely to alienate the loyalty of the people. While they do not express entire satisfaction with the present provisional government they do not feel

* (In despatches of July 24, Sept 9, and Nov. 1, 1912). and February 18, 1913

that secession would be justifiable and the mass of the people are not in favor of further disturbances and want a peaceful era now in which to recover from the baneful effects of the revolution. While Szechuan, therefore, may not rush to the defense of the central government, it is not likely to work actively against it, and its sympathies at present seem mainly to be with the provisional authorities at Peking.

Although the majority of the people in this province are peacefully disposed and want a strong and united government, and although the province itself is fairly quiet there are, as stated above, certain elements of uncertainty and the present situation is not without its peculiar dangers in view of the conflict which is now going on between the North and the South. Much depends upon the result of the fighting down river and if the southern forces gain even a temporary victory the southern sympathisers in this province are likely to overthrow the present government at Chengtu and establish themselves in its place. It happens that the greater part of the troops in this province are controlled by the Kuo Ming Tang and may be counted upon to support the Kuo Ming Tang movement in spite of public opinion in case there is any chance of their success.

July 31st. While Yun Tutuh has for the time being refrained from opposing Hu, he is a member of the Kuo Ming Tang and influences may be such as to cause him to take the lead after all in the interests of his party. As he is a very ambitious and self-seeking man and knows that he has little to gain from Yuan Shih Kai, while high honors would be bestowed upon him by the South, he can hardly be relied upon to support the central government in case there is any possibility of the Kuo Ming Tang movement becoming successful. I have just learned that the situation at Chengtu was very disquieting a week ago. The city gates were closed on the 21st and 22nd and it was feared that Yun would attempt to gain control. Telegraphic reports, however, indicate that the present situation there is somewhat improved although there is a great deal of talk about provincial independence and a considerable agitation started by the Kuo Ming Tang press. As the unrest at Chengtu has been chiefly caused by disquieting reports from the lower river the provincial authorities are trying to prevent the circulation of false rumors and alarming reports.

The Kuo Ming Tang has even more power at Chungking than it has at Chengtu and the relations of the local officials with those at Chengtu and with the government at Peking make the situation extremely complicated and fraught with much uncertainty. General Hsiung Ke-wu, the commander of the local troops whose character and achievements I have reported upon from time to time,* is an ardent member of the Kuo Ming Tang. While he has done excellent work and is disposed to protect foreigners in every possible way his situation as regards the local population and the central government is such as to make him a very uncertain quantity. His troops are also a possible source of danger and some of them started a serious mutiny, as reported in my despatch No.62 of May 17, 1913 . These troops are mostly from Hupeh and not having been very well treated by the people of Chungking they are nursing a grievance and are only held in check by the rigid dicipline of General Hsiung. As General Hsiung has been denounced at Peking by the local Chamber of Commerce and other municipal bodies and as he feels that he has not the support of the central government he may establish a Kuo Ming Tang government at Chungking and if he does so there is very little chance of opposition, and if the opposition is successful and Hsiung is obliged to flee, his troops, together with the lawless element which is always present, may take advantage of the situation and loot the city. I am reliably informed that a number of bad characters have already come to Chungking in anticipation of possible trouble and there is reason to believe that General Hsiung, being uncertain of his position, is not taking as active measures as he might in getting rid of the outlaws as he counts on their support in case he is forced to retire. If this is true the unreliable portion of his own troops together with the outlaws may get out of hand and cause serious difficulties, and if the city of Chungking does not give General Hsiung's soldiers what they feel is due and he is obliged to resign he may assume an attitude which would enable his disaffected troops to help themselves.

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* (In despatches of August 2, 1912,page 6, and November 1, 1912, page 6)

Just what would happen in the event of General Hsiung declaring the independence of Chungking and defying the Chengtu and Peking authorities is difficult to foretell, and signs are not wanting that he intends to maintain his present position against all comers. He has sent troops to guard the approaches from Chengtu and has also sent troops to reconnoitre in the vicinity of Kweifu below Wanhsien. As explained on page 12 of my despatch of November 1st last, the situation of this province is unique, and competent military authorities have stated that it would take an army of no less than one hundred thousand men to invade Szechuan successfully. It is not likely that sufficient troops could be spared from Chengtu to assert their authority in Chungking - for many months the military authorities here have paid no attention to orders from Chengtu. It would very likely be equally difficult for the Northern army to spare a sufficient number of troops to take Chungking, for some time to come, at least. There is another possibility, however, as reported last year,* the soldiers of Yunnan look with longing eyes towards Szechuan and have not forgotten the inroads which they made last year upon the funds of this province. I understand that they are again in need of money and that Tsai Tutuh has elected to support the Peking government. He might therefore send his troops again to Szechuan in which case the situation would become extremely complex, to say the least. All of this, of course, is largely a matter of conjecture but the present situation is such that any of these possibilities may occur.

There is always one reassuring feature of the situation in Szechuan; that is the influence and disposition of the merchant classes. The commercial element in this province is very strong and is decidedly in favor of peace. While the Kuo Ming Tang is strong among the official classes it has not such great support from the merchants and since the merchants have most of the money they are usually able to exert a deterring influence. A number of influential business men have withdrawn in the last few days from the Kuo Ming Tang showing that they are out of sympathy with its present policy. The local Kiangsi Guild, also has telegraphed a protest to the officials in Kiangsi strongly condemning their action in openly opposing the central government. I understand, also, that the prevailing sentiment at Chengtu is in favor of law and order. What, then, will be the result of the many conflicting forces above described is impossible to say. There is consolation in the fact, however, that there is little or no anti-foreign

* (In despatches of Jan.30, March 4, July 24, and page 20 of Nov. 1, 1912).

feeling in Szechuan and that while foreign interests may suffer in case the lawless elements get beyond control both parties to the present controversy have shown their willingness and ability to protect foreign lives and property, and it is hoped that their influence will not only be in the right direction but sufficient for all emergencies.

In view of the possibility of trouble, and to remind the officials of their responsibility in keeping order, I sent a letter to the local authorities requesting them to take precautionary measures so as to prevent the lawless element from taking advantage of the present unsettled situation. A copy of said letter is herewith enclosed.

I have the honor to be,
Sir,
Your obedient servant,
E. Carlton Baker,
American Consul,

P. S.

A copy of this despatch is being sent to the Department. ✓
ECB.

800.

Enclosed with despatch of July 28, 1913, from
Chungking.

Chungking, China, July 31, 1913.

Subject: Protection of Interests.

Chiang Teh-sheng, Esquire,
Director, Foreign Affairs Sub-Department,
Chungking.

Sir:-

I have the honor to state that disturbances on the lower river have caused false rumors and alarming reports to be circulated at Chungking. It has been noticed, also, that armed robberies have frequently occurred both in the city and outside and that a considerable number of outlaws are moving about. I trust, therefore, that both the civil and military officials will take strict precautionary measures, sternly repressing lawlessness and preventing the circulation of false rumors calculated to excite the people. If such measures are not taken the lawless element will be given an opportunity to carry out their evil purposes and serious trouble may result.

In view of the importance of American interests in this district and the friendliness existing between the United States and China I specially request that effective measures be taken by the civil and military authorities to protect them.

I have the honor to be, Sir,
Your obedient servant,

300.

(Signed) E. Carleton Baker
American Consul.

Serial No. 65.

Independence declared by Cheung King.

Sub.

Recd. Aug. 22/13.

Ack. 23 AUG 1913

Ans.

Ref. ~~Desp. to Department 22 AUG 1913~~

A.a.

American Consulate.

Chungking, China, August 5, 1913.

Desp. to Dept. 5 - SEP 1913

Subject: Independence Declared by Chungking.

Honorable E. T. Williams, Esquire,
Chargé d'Affaires,
American Legation,
Peking, China.

Ack. Recd with interest.

800.

Second Secretary.

Sir:

I have the honor to refer to my despatch No. 64, dated July 28th and 31st, which explained the political situation in Szechuan and to state that Chungking has now declared its independence of the Peking government. A telegram to this effect was sent this morning to the Legation and confirmation of the same is enclosed herewith.

While a majority of the people in this province are in favor of peace and quiet and public opinion would not likely support any active campaign against Peking, the military power in this province is predominant and the militarists have taken advantage of the situation to override the popular sentiment. General Hsiung, the commander of the Fifth division here, issued the declaration of independence and proceeded forthwith to destroy the power of any opposition. Early yesterday morning his troops overcame the police after a brief encounter, and the Chief of Police, who belongs to the Kung Ho Tang, went into hiding. Other members of his party were also attacked and many of them were put into jail. The city is now under martial law and soldiers are patrolling the streets.

General Hsiung and his followers have treated foreigners so far with the greatest consideration. The night before taking over the city he sent letters to the various consuls informing them of his plans, explaining his reasons and assuring all foreigners of full protection. He sent guards to the different consulates and took steps to prevent lawless characters from creating disturbance. His troops were specially instructed to safeguard foreign interests, and they appear to have done so successfully.

Just what the ultimate result of General Hsiung's action will be is difficult to foretell. As stated in my despatch above mentioned, it is difficult to see how any forces can be spared at present either from Peking or Chengtu to take the field against him. As suggested, however, a force from Yunnan may attempt to win back Chungking for the central government. The Yunnanese constantly look to Szechuan for money and in 1911 and 1912 the Yunnan troops marched through Szechuan and carried away with them large quantities of silver. Much will depend, however, upon the attitude of Yunnan toward the government at Peking. It is reported that Yunnan is still loyal. General Hsiung realizes the difficulties of his situation and has sent troops to guard all approaches to the city. No news of Chengtu has yet been received but if Hu is able to keep in power and can make himself sufficiently secure he may send troops to subdue Chungking. His own position at present is very precarious and the chances of his holding out against the forces of the Kuo Ming Tang are not of the brightest, and if Chengtu also asserts her independence the province of Szechuan may be able to hold out against Peking for an indefinite period.

Communications with the lower river have been greatly interrupted and it is very difficult to get either postal or telegraphic communications through. I will make every endeavor, however, to send all reports through as expeditiously as possible and will send extra copies by separate post so as to insure one copy at least arriving safely.

I have the honor to be,
Sir,
Your obedient servant,

E. Carleton Baker,

American Consul.

800.

Political situation in Szechuan.

Sub.

Recd. Oct. 16/13.

Ans. 16 OCT 1913

Ref. Dup. to Dept.

20 OCT 1913

No. 73.

AMERICAN CONSULATE.

Chungking, China, Sept. 27, 1913.

Subject: Political Situation in Szechuan.

Ack [illegible]

Honorable E. T. Williams,
Chargé d'Affaires,
American Legation,
Peking, China.

800

Sir:

I have the honor to refer to my despatches of July 28th, August 5th, August 20th, and September 8th with regard to subject above mentioned and to my telegrams in this connection of August 7th, August 18th, September 12th, 21st, and 23rd, and to further report as follows:

The fighting described in my despatch of September 8th culminated in the defeat and flight of General Hsiung, as telegraphed on the 12th instant. The Chengtu troops who were described on the 8th instant as being at Hochow defeated a part of Hsiung's army at that place, but not knowing his full strength they hesitated to move against Chungking and stopped for a considerable time at Tungliang and Pishan which are located northwest of this city. In the meantime the Kweichow troops, whom I described on the 8th instant as being at Chi Chiang, south of here, moved steadily upon Chungking and drove back all of Hsiung's troops which were sent to oppose him. As soon as they reached the opposite bank of the Yangtze River, Hsiung and Yang, his civil administrator, fled, as telegraphed on the 12th instant. They left the city very stealthily at about eleven o'clock on the evening before. Although Hsiung's destination was known to a number of people, there has been no attempt to pursue him. He left with only a few men. He planned to go down the Yangtze River to Fu Chou, thence along the Fu Chou River to Peng Shui, then overland to Yuyang and Hsiu-shan. From there it will be a very easy matter to reach Hunan where he will meet many of his old friends, as he originally came from that province.

As soon as General Hsiung fled, the Chamber of Commerce, Town Council and similar organizations took charge of the city using the police, the town guard and some of Hsiung's troops, whose allegiance was repurchased. They closed the city gates and endeavored to keep out the Kweichow troops who by this time were crossing the river. The Kweichow troops, however, forced their way into the city, occupied both civil and military headquarters and assumed entire charge. They have been here ever since.

When the Kweichow troops entered they were greeted by the Chamber of Commerce and thanked for their share in putting down Hsiung's rebellion. Their reception, however, was otherwise very unfriendly. They are looked upon as aliens and the local people greatly resent their being here. The Chungking people say that Hsiung fled before the Kweichow troops arrived and that the latter deserved very little credit. The Kweichow commander, on the other hand, has sent to Peking a most glowing account of his campaign in order to magnify the importance of what he has done and has given the impression that Chungking was a rebellious city and is even now unwilling to submit to the authority of the central government. (It will be remembered that in reporting the rebellion here I stated that it was foisted upon an unwilling public by a few military people who belong to the Kuo Ming Tang.) Although the Chungking people themselves have for the most part been very meek and inoffensive they are being treated with great severity and many innocent persons have been butchered by the Kweichow troops in a most barbarous and revolting manner. Popular feeling against them, therefore, runs very high and while no one in the city dares to oppose them they are plainly given to understand that their presence is decidedly obnoxious. Many of the Kweichow troops are ignorant people of a very low order and they have threatened repeatedly to burn the city and revenge themselves upon the local population. Their knowledge of foreigners and understanding of treaty rights are extremely limited and their disregard for foreign property may be seen from the following excerpt from a letter which I sent to one of the missionaries who thought some days ago of taking a trip to Tzechow:

> "That foreigners just now are by no means immune from attack is, as I wrote before, amply demonstrated. Thousands of ignorant and even desperate characters are now bearing arms and many of them have no understanding of the theory that the persons and property of foreigners must be protected. To illustrate their utter disregard for foreign property and foreign treaty rights I will mention a few instances which have come up in the last few days. Some Kweichow soldiers boldly invaded the French hospital compound and tried to drag away one of the patients who was walking in the courtyard. Another patient who was strolling about in front of the hospital was seized and taken away and it appears that he was disemboweled. (This barbarous practice is very common with the soldiers who now control the city and many innocent people have been killed in this way in the last few days.) The British Consul's boat while flying the British flag was boarded by soldiers although they were told that the boat was foreign property and owned by the British government. The soldiers killed innocent people from the boat, beat the boatman and threatened to kill him and did much damage to the boat before they finally left. Another boat flying the British flag was fired upon repeatedly although the flag was very large and easily recognized. The boat was bearing despatches from the British gunboats. A Kweichow soldier attempted to shoot at some Japanese bluejackets as they entered the city but an officer seized the gun just in time and beat the soldier with his sword. Although the Singer Sewing Maching Company's office was flying two American flags it was occupied by Chengtu troops although they were told that the place was American-owned. The shop was absolutely wrecked, and every wall and even the roof was riddled with bullets. If the American agent had been there at the time the result would have likely been the same, for when the troops are on the rampage they stop at nothing."

While the Kweichow troops are here under orders from the Central government to merely pacify Chungking, their ultimate purpose is something quite different or else they are greatly misunderstood not only by the people of Chungking but by the whole province of Szechuan. Although these troops have come from Kweichow, they are mostly Yunnanese and, as reported before (in despatches of January 30th, March 4th, July 24th and page 20 of November 1st 1912), the province of Yunnan looks with longing eyes towards Szechuan and the jealousy and rivalry between the two is intense. Both Yunnan and Kweichow are comparatively poor commercially and they have always tried to share the superior advantages enjoyed by Szechuan. They even talked of consolidating the three provinces and argued that it would work out not only to the advantage of each one but to the advantage of the Central government as well. It is suggested that Yunnan supply the soldiers, Kweichow the provisions and pack animals and Szechuan the money. Such an arrangement, of course, would not be agreeable to the Szechuanese, who have always suspected Kweichow and Yunnan, and the feeling on this account is intensely bitter. It must be admitted, however, that this suspicion is not without some foundation. As reported last year, the Yunnan and Kweichow troops not only took hundreds of thousands of dollars from this province but the Yunnan troops tried to annex the very rich salt district of Tsu-liu-ching. This plan was frustrated by the Chengtu troops who have not forgotten the incident. As the Kweichow-Yunnan troops who are now in Chungking annexed the city of Chi Chiang and placed it under the jurisdiction of Kweichow, their motives with regard to Chungking are naturally suspected. They even changed the name of Chi Chiang which they now call Chien Chiang, this name having peculiar significance as the word Chien is the same one which is used to denote Kweichow. This city, also, has been placed under the Tsen-yi Prefecture which is a part of Kweichow. It is known that the province of Kweichow has been suggesting to the Central government that the city of Chungking be made a part of that province, and the argument which they use is exceedingly clever. The present Chinese government is adopting many customs and ideas of the Ming Dynasty which preceeded the Manchu regime. It is therefore urged that Chungking should now be a part of Kweichow since it belonged to Kweichow under the Ming Dynasty. The fact that Chungking at that time was a small and unimportant city, and was not so closely connected commercially with Szechuan as it is today is a feature which is taken into account very little by the Yunnan and Kweichow people who desire to annex it. It is unfortunate that the feud between the provinces in this region is so bitter for it leads to a great deal of misunderstanding. Szechuan is not opposing the invading troops because they are sent by Yuan Shih Kai but because their motives are strongly suspected and it is feared that they have designs on this province. If Northern troops had been sent on the same mission they would have been much better treated and the present difficulties would very likely have been averted. As it is, the Szechuan troops, who are quite loyal to Yuan Shih Kai, treat as enemies the Yunnan and Kweichow soldiers which he sent to suppress the second revolution.

Soon after the Kweichow troops arrived a body of Chengtu troops under a Pacificator named Wong came to Chungking with about 1000 men. He also endeavoured to enter the city with his troops, but the Kweichow commander objected to his doing so. Wong himself, however , was permitted to come in with a bodyguard of about 100 men and was given quarters in the city temple. His attitude was one of open hostility towards the Kweichow troops and he maintained that he should take charge of the city and that the Kweichow troops should leave. He made a public speech at the Chamber of Commerce in which he encouraged the local people to work against the Kweichow commander although the latter had been appointed as military governor of Chungking by Yuan Shih Kai. The Kweichow troops insisted on remaining and would not allow the Chengtu troops to come in. The latter, therefore, were obliged to take quarters in Chiang Pei just across the Kialiang river. Shots were occasionally exchanged between the two and last Sunday, the 20th instant, a serious fight took place within the city of Chungking. Messengers had been going back and forth between the Chengtu troops at Chiang Pei and their commander in Chungking and the Kweichow officers became suspicious. They killed one of the messengers and attacked a temple just outside the city where a small number of Chengtu troops were quartered. The Kweichow soldiers burned the temple, killed nearly all the Chengtu troops who were there as well as a great many innocent who happened to be near by. A number of native houses also took fire and a considerable amount of property was destroyed. The Chengtu troops, with the aid of their commander, broke through one of the lower gates of the city and immediately attacked the Kweichow troops who stoutly resisted. The street fighting lasted for several hours and the Chengtu troops with the aid of many local people forced their way along gradually driving back the the Kweichow troops. It is doubtful as to what the result would have been if the fighting had continued. Peace negotiations were commenced, however, and it was arranged that the Chengtu troops should leave the city and return to Chiang Pei. About 200 people were killed or wounded during the encounter and much damage was done to foreign as well as Chinese property. The Singer Sewing Machine Company's offices and sales rooms were riddled with bullets, although two American flags were flying there at the time. I will report further in this connection, however, when the claim for indemnity is presented.

While the fighting was still in progress, some members of the Chamber of Commerce requested the French, British and American consuls to intervene. It was well known that the Chamber of Commerce was strongly opposed to the Kweichow troops. As it seemed unwise to meddle at that time and the request for mediation did not seem to come from both of the contending parties, I declined to intervene. As Senior Consul, also, I felt that I could not act with only the French and British consuls since my German and Japanese colleagues had not been given the same opportunity. The consuls had previously agreed to work together and to take no action of this kind without previous consultation with each other. The French and British consuls apparently intended to keep their colleagues ignorant of what was taking place and they did not even know that I was aware of what they were doing. It so happens that their interference has met with considerable disfavour and many of the Chungking people are now saying that the Chengtu troops would be in control of Chungking today if the two consuls had not intervened. This is probably true, but these two consuls affirm that Chungking would have been burnt by the Kweichow troops if they had met with defeat and that they (the French and British consuls) therefore, saved the city from destruction. This, of course, is a mooted point and the explanation has not been received as gratefully as they had expected.

While it seemed to me inexpedient to interfere during the fighting on Sunday I felt that the foreign consuls could with perfect propriety call upon the Kweichow commander and discuss ~~matters~~ measures for the protection of foreign lives and property. This view was also shared by other foreign consuls, and we therefore called on commander Whang at three o'clock on the 22nd instant "to discuss matters of the greatest importance with regard to preserving the peace of Chungking and protecting foreign interests" - to quote from the letter which I sent him. On behalf of the consular body, also, I informed the Chamber of Commerce and the Town Council of the proposed visit and said that Chinese local interests could also be represented if they too sent delegates at the same time. This step was taken principally for two reasons. One was to remove any suspicion in the minds of the local people that the consuls were taking sides with the Kweichow commander against them and to give them an opportunity of hearing what we had to say. The other was to give them a chance to speak to the Kweichow commander about conditions in the city which they would not dare to mention without our being present. The Kweichow troops had been very brutal and harsh and had seriously interfered in many ways with business. The Chamber of Commerce, therefore, was very glad to send delegates to the meeting. In speaking for the consular body I carefully explained that we were absolutely neutral and that we could not take sides with one against the other. I said that Chinese and foreign interests were inextricably interwoven and that a peaceful settlement would be of advantage to all concerned and we hoped that further fighting would be avoided. As both the Chengtu and Kweichow troops asserted their right to control Chung king, the former having orders from Chengtu and the latter from Peking, I suggested that the question of expediency as well as the mere question of right should be considered. By way of illustration I told them that the case was like that of two railway trains travelling under orders but finding themselves approaching each other on the same track. To keep going at full speed and to wreck both trains would be idiotic even if orders were strictly followed in doing so. Under such circumstances the proper thing would be to telegraph for new orders so that the trains could follow separate tracks and thus avoid a head-on collision. I remarked that the consuls, being neutral, made no suggestion as to which should turn aside to let the other pass but that the trains carried many foreign passengers and much foreign property and that on this account we strongly urged the adoption of a safe and sane policy. The representations which we made were well received by both parties and they agreed to telegraph to Peking and to wait for further orders before resuming hostilities.

As the various parties represented at the meeting were strongly of the opinion that no more fighting should take place at Chungking, and as the Chengtu troops were said to be making preparations to attack the city from the direction of Fu-tou-kwan, it seemed desirable to communicate with the latter in the interests of peace. A joint letter was therefore drafted, signed by the various interested parties and sent by Commander Whang to the officer in charge of the Chengtu troops. It referred to the loss of life and damage to property which had been caused by the fighting on Sunday and expressed the hope that further hostilities would be averted and that a peaceful settlement would be made. (The letter was composed by Commander Whang and is more or less Chinese in construction). A copy of said communication is sent herewith as enclosure No. 1 together with the enclosed translation. On the following day, September 23rd, the Kweichow commander invited the consuls, members of the Chamber of Commerce, Town Council and similar organizations to dine with him. As there seemed to be ample precedent for cultivating friendly relations with the de facto authorities and Commander Whang was appointed military governor of Chungking by Yuan Shih Kai, I considered it my duty to accept his invitation so as not to offend him and to make it easier, also, to secure protection for American lives and property. The other consuls viewed the matter in the same light excepting the British consul who declined the invitation. While the dinner was in progress a report was received to the effect that the Chengtu troops were determined to bombard Chungking. After leaving Commander Whang's headquarters, therefore, the consuls sent a joint letter to the

Chengtu commander as follows:-

"The foreign Consuls residing at Chungking, having heard that an attack upon the city is contemplated, beg to remind you of the promise which was made by Hu Tutuh to the effect that Chungking would be excluded from the field of fighting.

As Chungking is an open port where many foreigners are living according to treaty, we feel that we are entitled to receive due notice in advance in case any attack is to be made upon the city so that we may take necessary steps.

Will you kindly acknowledge the receipt of this letter."

The letter above quoted was well received by the Chengtu commander here who promised to give the foreigners due notice in advance in case he should find it necessary to bombard the city. In this connection, also, it may be said that the suggestions and representations which were jointly made by the consuls were accepted most willingly and even gladly by the various parties concerned. We have maintained a strictly neutral attitude and what we did was merely calculated to facilitate a peaceful settlement and to preserve foreign interests.

Negotiations have been going on between the Chengtu and Kweichow forces with a view to arriving at some amicable decision. Delegates from the Chengtu army near Fu-tou-kuan came to Chungking and were courteously treated by the Kweichow commander. Several conferences were held but no final agreement has yet been reached. The Chengtu commander insisted on commander Whang leaving the city, but the latter declares that he is here by order of Yuan Shih Kai and that he could not leave now if he wanted to. On the other hand, he points out that Wong who is now with about 4000 troops in Chiang-Pei has been ordered by the Tutuh to proceed to Wanhsien as Pacificator and that he not only refuses to go but has assumed a very menacing attitude towards the Kweichow troops. In the meantime, some Kweichow and Chentu troops are encamped very near each other in the vicinity of Fu-tou-kuan and shots between them are occasionally exchanged. Chengtu troops have even crossed the Yangtze and are apparently seeking to gain every strategic point in the neighbourhood of Chungking. Much sympathy is expressed for them by the Chungking people who quite openly show their contempt for the Kweichow troops. They are, however, utterly panic-stricken and thousands are fleeing from the city. A number of them have been killed for only slight offences and no one knows who will be taken next. Most of the shops are closed, business is at a standstill and it is no exaggeration to say that a few days ago there was a veritable reign of terror. While the situation today is somewhat improved, it is only better in degree; as danger of renewed hostilities still exists.

I have the honor to be, Sir,

Your obedient servant,

E. Carleton Baker,

Consul.

800.

Copy.

65.

Chungking, China, Oct.9, 1913.

Assignment of Consuls in China.

I have the honor to submit very respectfully the following considerations with regard to the assignment of Consuls in China - a matter which I believe to be of the very highest importance affecting to the greatest extent the political as well as the commercial influence which the United States is to have in this new republic.

I approach this subject with much diffidence for two reasons. There is danger of the Department misunderstanding the spirit in which my suggestions are made. I do not wish it to appear that I am presuming, but since a well regulated street-car company invites suggestions from its humblest employee as to efficient methods et cetera, I feel sure that the Department will not scorn similar suggestions which are made in good faith by its agents abroad. While the Depastment's knowledge of my character and of my work during the past seven years and a half should afford sufficient evidence of my good faith, still there is always the idea that no Consul would think of making a disinterested suggestion or one which would work out to his personal disadvantage.

For this reason, therefore, the present moment is most opportune. If the Department accepts my suggestion in principle it would probably mean, among other things, that I would be kept in Chungking for another two years or so instead of receiving the promotion for which I am in line or a transfer to some more desirable post. Chungking, as the Department knows, is the most disagreeable post which we have in China. My predecessors, the Consuls General at Large and I have demonstrated this point beyond doubt. Full explanations in this regard, also, are given in my despatch of August 27th last in connection with "Health and General Conditions at Consular Posts". So firmly, however, do I believe that Consuls should stay at strategic points until they have solved the big questions and placed American interests on a sound footing that I am willing to endure another two years here in order to place complete information regarding Szechuan and Thibet at the Department's disposal and to follow up the constructive commercial policy which I am pursuing on behalf of the Government.

I was similarly interested in the problems of Manchuria and offered to remain on the $2500 at Antung - another disagreeable post - but I was whisked away to West China, although the Minister frequently commented upon my reports in such terms as the following, which were used in his despatch of Sept. 5, 1911 - the very week I left Antung:

> "The Legation has read this despatch with great interest and commends you for your careful reports upon the situation, which are considered of the highest value in the present crucial state of affairs in Manchuria."

The report in question was on Japanese activity, but the activity of the Germans, French and English in West China is also great, and, if our Government fails to follow their schemes and intrigues, this part of China may some day be about as open to "equal commercial opportunity" as Manchuria is today.

Many people in America seem to think that the "open door" in China is an assured fact and that the door will remain ajar without assiduous and continued watching on our part; but this is far from being the case. While the door is being slammed shut with a loud bang in Manchuria it is being cautiously and noiselessly closed in other parts of China and this may not be realized until it is too late. I believe it is imperative, therefore, that active but discreet Consuls be placed at important points and kept there until they acquire positions of leadership in their respective communities and can secure a large share of influence and trade for America.

There is a common notion in the United States that almost any man with brains and what we call "hustle" can fill almost any position. While I do not discount these qualities - indeed I try to cultivate them - and believe that they suffice for certain classes of occupation, I know from years of observation abroad that they are not sufficient assets for a Consul, especially in weak countries where conditions are unsettled and foreign powers are striving openly and secretly for positions of advantage. A Consul must have the confidence of his foreign colleagues, of the local officials and of other members of the community. He must in China be in friendly correspondence with missionaries in the interior and on friendly terms with business men and others who will give ordinary and confidential information when it is needed. Such relations are not established in a moment; they take months and sometimes years to cultivate, but when an American Consul has gained such a position of influence he is often sent away to some place with which he is totally unfamilar and where he is obliged to begin all over again.

I do not advocate positions of permanence, and realize that health considerations and other factors must be given due weight. I do believe, however, that a greater effort should be made to keep useful men in useful places for longer periods so that important political and commercial problems will not be continually left halfsolved and perhaps undiscovered by some man's successor who has less penetration and political insight. I believe, also, that more emphasis should be laid in China upon reports from Consuls which show the trend of political events with reference not only to China's internal affairs but to the stealthy movements which other nations are making to further the designs which they have upon various parts of this country. One reason why Consuls do so little of this work is that they are so swamped with routine matters that little time is left for original reports, and these reports are nearly all commercial in character since they are published and are credited to a Consul each time in the efficiency record. A Consul can dash off half a dozen commercial reports in the time it would take to prepare a first class political report of more far-reaching importance. He often does the former, however, as an author does work at so much per line, while the latter might represent ability of a much higher order.

China with her provinces and dependencies is like a dairyman with so many cows. While America busies itself with the character or price of fodder which she hopes to sell to the dairyman, or the milk and butter which she hopes to get in exchange, certain other countries are putting the dairyman under financial obligations and in other devious ways are scheming to get possession or control of the cows.

Who then will get the milk or supply the fodder? Assuredly neither China or America. If Consuls in China would delve more deeply into questions of fundamental importance - even if they have to write less about the sale of melon seeds and necktie holders - they would render a much more valuable service and would place information with our government which would enable it to "call the bluff" of certain foreign nations at the right moment. And I believe that Consuls should be encouraged to do such work and should be kept in certain places until their experience and knowledge of such matters are of some real use to the government.

While our immediate national interests in certain regions may not yet be large, we will find the gateway to commercial expansion barred if precautions are not taken now. In this connection I cannot refrain from mentioning the provinces of Yunnan and Kweichow. The former province is literally swarming with French. They have gained concessions right and left and have extended their political influence there until the "equality of commercial ppportunity" doctrine is the merest fiction. The French, however, like the Japanese in Manchuria, are very sensitive to criticism, and under proper observation they would never do the things which they are doing now. However good a Consul at Canton or any Consul at Chungking may be, he cannot possibly at such a distance and with his already over-worked office gather full and accurate information as to what is going on in Yunnan and Kweichow, nor can he bring his personal influence to bear upon the situation if it does become inimical to American interests. We are therefore leaving Yunnan to be quietly absorbed by the French by a process which is sometimes known as "Peaceful Assimilation". Other countries have Consuls general at Yunnanfu, the capital, and they do much toward preventing the French Consul General there from monopolizing the commercial opportunities which arise. Kweichow is generally included in the same jurisdiction and these two provinces are closely watched by all of the Consuls General at Yunnanfu. I have learned much about Yunnan from my French colleague here, who served for some years at Yunnanfu, and I am convinced that it would pay our government to maintain a Consulate General at Yunnanfu, for Yunnan and Kweichow have vast possibilities in which Americans should share, and the pioneer work there should begin very soon. Yunnan has designs upon Szechuan, and the relations between the two are most interesting and important, as explained in many of my despatches. (Jan. 30, Mar. 4, July 24, Nov. 1, 1912 and July 28, 1913.) The aboriginal tribes on the borders of Yunnan and Szechuan are a factor the importance of which is realized by very few. They are still unconquered; they keep Chinese slaves and are demoralizing parts of this province and Yunnan by growing opium in spite of prohibitory orders - all of which they ignore with impunity. These tribes alone furnish sufficient material for any one man to study, for they always have an important bearing upon the situation.

It is no exaggeration to say that our government has less than one-twentieth of the information about West China which the French, British and German governments possess. When I was in the Far Eastern Division of the State Department I was suprised at the dearth of information which Consuls in China had furnished about general conditions and the political moves which other powers had been making in certain regions. This, I believe, was due chiefly to their lack of interest in the work or to their being shifted so often from place to place.

I have the honor to be, Sir,

Your obedient servant,

(Signed) E. Carleton Baker.

Consul.

125.

REPORT

Military Information Concerning Amoy.

1. A list showing the Commanding Officers, organizations, numbers and stations of Chinese troops in and near Amoy.

The Ssu Ling Kuan (司令官) is the commander of all the troops in the district comprising Amoy, Quemoy and Kulangsu, which district is designated as Ssu Ming Fu (思明府). His rank would seem to be above that of a colonel and about equal with a brigadier-general. He also combines certain functions of a naval officier, being both the chief military and the chief naval officer in this Ssu Ming Fu (思明府) district. During the Manchu rule the islands of Amoy, Quemoy and Kulangsu were considered a part of the Tung An Hsien (同安縣) district, Tung An being located about 20 miles north-est of Amoy on the mainland. Since the revolution and owing to its commercial importance, Amoy has been separated from the Tung An Hsien (同安縣) district and together with the islands of Quemoy and Kulangsu, made into a prefecture called Ssu Ming Fu (思明府) the city of Amoy being the capital.

Before the Revolution, a Titai (提 台   Provincial commander-in-chief of both the Army and the Navy) was stationed in Amoy. He was a very high official ranking with the Viceroys and Governors in the provinces but he was no more than a figure-head, commanding only about

100 troops under the old native discipline. He had no modern troops under him. The military stations in the different places in Southern Fukien said to be under his command only acted upon orders from Foochow.

At present the Ssu Ling Kuan (司令官) in Amoy is the chief military officer in this Ssu Ming Fu (思明府) district, having jurisdiction in this district only. He seems to be more of an actually responsible officer than the Titai. There is an officer similar in rank and to the Ssu Ling Kuan functions/in the districts of Hing Hua, (興化), Chuan Chiu (泉州), Chang Chow (漳州) and Ting Chow (汀州) except that those in Chang Chow and Ting Chow have nothing to do with naval matters as there is no seacoast or no naval division under their jurisdiction. They are of equal rank with each other.

Troops in Amoy.

1. Four yin (營 a division varying from about 30 men to 180 but now about 130) of the Hsun Fang Tui (巡防隊 defense corps), each commander by a Kuan Tai (管帶 captain). Two of these Hsun Fang Tui (巡防隊) are station in the Ssu Ling Kuan's (司令官) yamen inside the walled city in Amoy; the other two are stationed in the country adjacent to Amoy, at strategical points in order to preserve peace and order.

2. Three yin of I Yung (義勇 volunteers) organized at the time of the revolution. 'Note:- These are the men who have been creating trouble in this district by not remaining amenable to the orders of the local government.' They have been ordered to the mainland, one to An Chi (An Khoe 安溪) district and the other to the Shang

Hang (上杭) district and the third to the Yung Chun (永春) district.

3. One yin (營) of Shui Ssu (水師 Naval force) under the command of the Chung Fu (中府) a naval officer stationed on land. The Shui Ssu (水師), said to be one yin, contains about 50 men. Their duty is to protect inland navigation and the coasts of Amoy against pirates.

4. One yin (營) a force almost similar to the above under the command of a Hao Fu (後府) a similar officer to the Chung Fu (中府). the Duty and the number of this force are about the same as that under the command of the Chung Fu (中府). Note:- Chung (中) means middle and Hao (後) means rear and these terms are hold-overs from the Manchu time. Under the Manchus, when the Titai went to war, the Chung Fu was with him in the middle while the Hao Fu was usually behind the body under the command of the Chung Fu.

5. One yin (營) of Hsun Chi Tui (巡緝隊 patroling force) under the command of the Chun Cha (總查 Inspector General or Inspector of Nuisance). This force is composed of about 50 men. (This force seaches ships for kidnappers and raids gambling houses and might be called a military police).

6. There are four forts under the command of the Ssu Ling Kuan (司令官) in Amoy. Three of these forts are on Amoy island and one on the mainland at the foot of the hill opposite, to the South. Each fort is commanded by a Kuan Tai (管帶 Captain). The Hu Li Shan (胡里山) fort which is about one mile east of the Nan Pu to (南普陀) temple is the greatest fort

in Amoy. There are about 100 men there and one Krupp gun of [illegible] cm (centimeters ?). The other forts have about [illegible] men each. They are under German discipline.* The rifles they have are mostly Remington and Mauser. There is no regular supply of ammunition. When there is trouble of a serious nature in the mainland in the vicinity of Amoy, troops have to be sent down from Foochow, the capital of this Province.

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* This would seem to be a mere statement.

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2. Character of discipline of troops and their supply of ammunition.

As noted above, the troops around Amoy are said to be under German discipline but on the few occasions that the writer has seen what few troops there are here, drilling it would seem that their discipline is very lax. At the present time, there are, really, very few troops in the immediate vicinity of Amoy.

They have very little ammunition but it is impossible to give an accurate estimate of just how much.

3. Three copies each of the following circulars:-

   a. Important notices to mariners.

      Such notices as are issued here are generally only of temporary value and apply only locally. Specimens are attached as Exhibit "A".

   b. Names and registered tonnage of Tow-boats and Lighters.
      See Exhibit "B".

   c.

c. Names, dimensions and registered tonnage of merchant vessels trading in port.
See Exhibit "C".
Note:- This list includes only such vessels as call at this port with some degree of regularity. In addition to these, most of the other ships of the China Navigation Company call at times, and about once a month one of the vessels of the Japan, China, Java line calls. One Pacific Mail boat usually calls in July for narcissus lily bulbs.

d. Regulations for storage of explosives.

See Exhibit "E", entitled "Harbor Regulations", paragraph 10 and also paragraph 12.

e. Harbor regulations.

See Exhibit "E".

f. General Pilotage Regulations.

See Exhibit "F".

g. Quarantine regulations.

See Exhibit "E", entitled "Harbor Regulations", paragraph 11., and Exhibit "G".

4. Three copies of blue-prints of profile maps and plans of the Amoy Railway.

There are no blue-prints or tracings of above at present in Amoy.

5. The following information re. Amoy Railway.

Terminals of line.
Starts at Sung Su, across the harbor from Amoy and ends, at present, in an uncompleted approach to a bridge at a place called Kang Tang Ki-o (江東橋).

Distance between terminals.
56 li or about 18 English miles.

Total mileage.
About 18 English miles.

Character of traffic.

Largely passenger and the usual baggage. Most of the freight is carried on river launches or Chinese river boats, the road practically parallelling the river.

Fuel and source of supply.
Coal, usually Japan coal which is imported into Amoy from Japan.

Character of service and usual number of cars to train.
Inefficient. Generally four or five.

Personnel of road.
Native.

Management of road.
Native. Inefficient.

Importance of road from military and commercial point of view.
Military. Until the bridge across the North River at Kang Tham Ki-o is built, the road practically leads to nowhere. The small gorge at the end of this road could easily be made a commanding position so far as the North River is concerned. In fact, at the present time, the high hill on the tongue of land between the North and the West Rivers (the river as it leads out of Amoy about 15 miles from here divides into two branches, the one going to the North and being called the North River and the other in a generally west direction and being called the West River) has the remains of a fort said to have been almost impregnable during the Taiping Rebellion. The lack of a water supply would be a serious defect to such a position.
Commercial. Cannot compete successfully with the river boats for freight traffic. If the bridge is built and the road continued to Chang Chew (漳州) a city of about 100,000 located some 30 miles from Amoy on the West river, it seems only reasonable to suppose that the railroad will then be of some importance and may become a paying investment. At the present time it is not.

List of stations showing distance from one end.
Sung Su, Amoy terminus.
Sung Su to Haiching, 15 li (about 5 miles).
Sung Su to Chich Bu-i, 35 li (about 12 miles).
Sung Su to Kang Tang Ki-o, 56 li (about 18 miles).

Number of tracks.
one.

Roadbed (Character, Condition, Width).

Character. Rock ballasted, sleepers said to have come from Japan. Generally level, sometimes having unnecessary curves, a few long cuts, generally through dirt or clay and a number of fills.
Condition. Deteriorating, due to lack of care and the usuallweathering without the proper attention after rains. Many of the sleepers show signs of destruction by white ants. In places where cuts have been made, channels at the top of the cut with a drain running down the side are suppose to prevent landslides but these channels are not always successful.
Width.
Standard Gauge.

Is road well ditched ? Is drainage good?
1. Fairly.
2. Usually inadequate owing to improper grading.

Is there danger of washouts ?
Yes. (And they have occurred).

Rails, material and weight per yard.
Steel, made at the Hanyang Iron works. Said to be 90 lb.

Sidings, location and length.
One at every station; long enough to allow one full train to take the siding while the other passes.

Bridges, location and length of important ones.
There are a number of culverts and one or two spans of 20 to 30 feet but no long or important bridges at the present time.

General character of country through which road passes.
On the south side of the track a level stretch until you reach the river (a mile or two in some places). Across the river level country for three or four miles and then hills some of which are about 1800 to 2000 feet high. On the north side of the track the level country is not so wide and there are hills of about the same height. In fact, most of the country immediately back of Amoy is hilly for about 15 to 20 miles and then there is a plain including the city of Chang Chow (漳州) and vicinity while still farther back, in the district of Long Na (龍巖) and reaching up to Ting Chow (汀州) (200 miles from Amoy) the contry is almost all hills and mountains.

Telegraph line, number of wires.
No telegraph. A telephone, one wire.

Stations, general character of buildings.
The Stations are built of brick and are comparatively substantial affairs. The one at Sung Su has accommodations for the offices of the road while in the adjoining compound, are quarters for the staff

staff and were used by the Engineer and his assistants during the construction of the road. The Engineer was a Chinese who had studied engineering in France. With the exception of the Sung Su station, the stations are small.

Shops, location and character.
At Sung Su. Very inadequately provided with appliances and all in general disuse at the present time.

Water supply, source and quantity.
Generally from nearby surface wells but in the dry season, if very dry, water can be obtained from river water-boats, these boats going up the river beyond the salt water and bring water to Amoy. Practically all the shipping in Amoy harbor is supplied with water in this way. The raod usually has sufficient water for its use.

Stores, location and amount of railway stores.
What few stores there are, are at Sung Su. These are not kept with any great degree of care. Some cement is to be found, some steel rods and some extra wheels but in general, the material is not very useful. Outside the storehouse there is much unused bridge material and the tracks and cars used in the construction of the road. All this is suffering for want of care.

Rolling-stock, kind and number of locomotives, passenger and freight cars.
There are two locomotives, one American and one German. The American locomotive has been out of service for some months. There are 14 freight cars and 6 passenger cars. The passenger cars are hardly more than converted flat cars. The rolling stock is not in good condition.

Is there any work of extension goin on ?
No.

American Consulate,
Amoy, China,
January 18, 1913.

Charles F. Bissel
Vice Consul in Charge.

820.

re with despatch No. 277 dated Mukden, China,
March 21, 1913.

No. [illegible].

AMERICAN CONSULATE GENERAL,
MUKDEN, CHINA.

March 21, 1913.

SUBJECT: Military Affairs - Arms and Ammunition.

The Honorable
The Secretary of State,
Washington.

Sir:-

I have the honor to report that the Chinese Government forces along the border of Eastern Mongolia and throughout the territory of the Cherim League are being considerably strengthened. Many of the troops which were sent into that region for the suppression of the uprising of ex-Prince Wu-t'ai last Autumn have never been withdrawn and the number of soldiery in that quarter is stated to be about 7,200, the greater number being under the command of General Wu Hsing Ch'uan (吳興權). General Wu has recently recruited 1,000 cavalry and has been furnished with 18 guns in addition to a large supply of ammunition, funds in the amount of about U. S. $74,000 and other materials. I am informed that the strength of this force will be brought up to 10,000 men within a few weeks, the present force being reinforced by a number of battalions of the 20th division. These steps are being taken in view of the unsettled condition of Eastern Mongolia, of the wavering allegiance of a number of the Princes of the Cherim League and as a protective measure against incursions from without. Reports are now current of the suspicious movements of some of the Princes which may be attributed to the work of secret emissaries from Kulun, and it may be safely stated that unless a strong force is permanently maintained in this region some of the Princes will forswear their allegiance, disorders and uprisings will take place and the country will be overrun by marauding bands of Mongols from the west. In discussing Mongolian affairs with me an official stated that since the much talked of Mongolian expedition has become extremely improbable, we are apprehensive of incursions upon our borders of Mongols who have been armed by the Kulun Government and for this reason it is necessary to take the utmost precaution.

In view of the prominence which has been given to the proposed Mongolian expedition, the quantity of arms and ammunition purchased since the beginning of 1912 by the Mukden Government may be of interest. This list does not include deliveries during 1912 of orders placed the preceding year. At the beginning of the Revolution it was generally understood that the local arsenal was well stocked. The following list for 1912 has been obtained from a firm which has supplied some of the materials and, I believe, may be regarded as complete:

Krupp Field Guns 75 mm., 8 batteries.

Krupp Mountain Guns 75 mm., 2 batteries.

For each of the above guns, 1,000 shells

as follows:	(Common shells	200
	)Shrapnell	600
	(High explosive	200.

Greusen Field Gun shells - one-third each of shrapnell, high explosive and common shells, 6,000.

Mauser pistols, 2,500.

Rounds of ammunition for Mauser pistols, 1,600,000.

Belgian revolver cartridges, 150,000.

Mauser rifles, 7.9 mm., 15,500.

Mauser Carbines, 7.9 mm., 2,000.

Cartridges for Mauser rifles and carbines, 22,000,000.

Mannlicher cartridges, 6.5 mm., 3,890,000.

Machine guns, Hotchkiss, large, 10.

Machine guns, Hotchkiss, small for firing from saddle, 38.

Included in the above is one million rounds of ammunition for Mannlicher rifles which were obtained from the Te-chou (德 州) Arsenal.

At the end of January of this year 50,000 second-hand Mauser rifles, model '88, caliber 7.9mm., and 10,625,000 rounds of ammunition for same were ordered for volunteer organizations (四鄉預警) in the province. General Chang Tso Lin has presented to the Government 12 Maxims and 600,000 rounds of ammunition for same, for which he received a decoration. This order was placed recently.

The Kirin Authorities have also made some purchases. During the latter part of 1912 orders were placed for 10,000 Mauser rifles, model '88, caliber 7.9 mm. and for 9,400,000 rounds of ammunition for same. Some of this material has already been delivered. Very recently an order has been placed with Messrs. Arnhold, Karberg and Company for 36 Skoda machine guns, Austrian, with

20,000 cartridges for each.

I have the honor to be, Sir,

Your obedient servant,

Myrl S. Myers,

Vice Consul General in Charge.

A true copy of the signed original.

File No. 820.

M/Fe.

Through Legation with copy.

Leg. No.318.

AMERICAN CONSULATE GENERAL,
MUKDEN, CHINA.

Location of Chinese military forces under command of Headquarters at Mukden.

Sub.
Recd. Nov. 18/13.
Ack.
Ans.
Ref.
A[illegible]

November 14, 1913.

SUBJECT: Location of Military Forces under Command of Headquarters at Mukden.

820

E. T. Williams, Esquire,
American Charge d'Affaires,
Peking, China.

Sir:-

For the information of the Legation I have the honor to report the location of the Chinese military forces under command of Headquarters at Mukden as follows:

TWENTIETH DIVISION, under command of Lieutenant General Pan Chü Ying (潘矩楹).

Of this division only three batallions (ying) or one regiment (piao) of infantry are stationed at Hsinmintun (新民屯); the remainder have been sent to Hankow (漢口) and Kalgan (張家口).

TWENTYSEVENTH DIVISION, under command of Lieutenant General Chang Cho-lin (張作霖).

This division is incomplete, the batallions of infantry consisting of but 388 men instead of 504 men, and the batallions of cavalry consisting of 186 men instead of 224 men. The division consists of the 105th, 106th, 107th, and 108th Regiments of Infantry, the 27th and 28th Regiments of Cavalry, one batallion of Engineers, one batallion of Transport troops, and Band stationed as follows:

In Mukden: The 106th and 108th Regiments.

2nd Ying of the 107th Regiment.

2 yings of the 28th Regiment of Cavalry. These yings contain about 186 men each.

27th Regiment of Cavalry (Consisting of 3 yings of 186 men each; 558 in all).

1 ying of Engineers numbering 388 men.

1 ying of Transport troops numbering 388 men.

1 Band numbering 44 men.

In Shangtaitzu (雙台子): 1st Ying of 107th Regiment.

In T'ien Chuang Tai (田莊台): 3rd Ying of 107th Regiment.

In Tiehling (鐵嶺): 1st Ying of 105th Regiment.

In Changtu (昌圖): 2nd Ying of 105th Regiment.

In Hsinmintun (新民屯): 3rd Ying of 105th Regiment.

In Pa Min Chung (八面城) 1 ying of the 28th Regiment of Cavalry. This ying contains about 186 men.

TWENTYEIGHT DIVISION, under command of Lieutenant General Feng Lin Ko (馮麟閣).

This division is incomplete, the batallions of Infantry and Cavalry being recruited to about the same number of men as those of the 27th Division. The units are stationed as follows:

In Kalgan (張家口): 3 yings of infantry.

In Kuang Ning (廣寧): 1 ying of infantry.

In Chin Chou (錦州): 1 ying of infantry.

The balance of the 28th Division is stationed between Liao Yuan Chou (遼源州) and north of Shanhaikuan along the railway. This division is not complete, there being altogether about 8,000 men.

MILITARY POLICE

MILITARY POLICE (憲兵營).

There is one ying (504men) of Military Police on patrol duty in Mukden under the command of Wang Wen Hua (王文華).

HSUN FENG-TUI (巡防隊).

Right Territorial District, in command of Lieutenant Colonel Ma Ling-t'an (馬龍潭), is stationed as follows:

In Hsinmintun (新民屯): 1 ying of cavalry.

In Hui Jen (懷仁): 1 ying of infantry.

In Tung Fa (通化): 1 ying of infantry.

In Lin Chiang (臨江): 1 ying of infantry.

In Feng Huan Cheng (鳳凰城): 1 ying of infantry.
1 ying of cavalry.

In Antung (安東): 1 ying of infantry.
1 ying of cavalry.

In Chang Ho (莊河): 1 ying of infantry.

In Liao Yang (遼陽) 1 ying of infantry.

In Hai Cheng (海城) 1 ying of cavalry.

In Liao Chung (遼中): 1 ying of cavalry.

In Chien Chang (城廠): 1 ying of cavalry.

Rear Territorial District, in command of Lieutenant Colonel Wu Hsing Chuan (吳興權), is stationed as follows:

Fourteen ying of infantry and six ying of cavalry are stationed in Inner Mongolia, while four ying of cavalry are stationed at various points between Kaiyuan (開原) and Taonanfu (洮南府).

The infantry is recruited up to about 320 men to the ying, and the cavalry to about 144 men to the ying.

I

I have the honor to be, Sir,

Your obedient servant,

Fred D. Fisher

Consul General.

File No.820.

F/Fa.

Copy sent to the Department of State.

File
Leg. No. 324. P7 R 1

AMERICAN CONSULATE GENERAL,
MUKDEN, CHINA.

General conditions in Mukden Consular Dist.

Sub. Dist.
Recd. Jany 12/14.
Ack.
Ans.
Ref.
A..s.

January 7, 1914.

SUBJECT: General Conditions in Mukden Consular District.

Honorable Paul S. Reinsch,
American Envoy Extraordinary
and Minister Plenipotentiary,
Peking, China.

866

Sir:-

With reference to my despatch No. 323 dated December 22nd, last, in relation to a loan of 3,000,000 gold yen from the Mitsui Bussan Kaisha to the provincial government of Fengtien, I have the honor to report that the negotiations have been suspended on account of insufficiency of the guaranty.

I am informed that the following short term loans are outstanding against the Fengtien provincial government:

Date of Loan	From whom Contracted.	Term	Amount	Guaranteed by:
1911	Peking Government.		Mex.$ 400,000	
1912	Okura and Company	1 year	G.Y.1,000,000	Chinese shares of the Penhsihu Coal Mine.
1913	South Manchuria Railway Company	"	G.Y. 600,000	Mukden Telephone Service and the Mukden Electric Light Works.
Various dates	Local parties, banks, etc.		Mex.$3,600,000	Fengtien Government

The two loans for Gold Yen 1,500,000 and 700,000 contracted with the Yokohama Specie Bank, 1910, for which the Chinese interests in the Yalu Timber Monopoly were pledged as security, have recently been redeemed.

The Kirin provincial government is still free from foreign loans, but its finances are in a deplorable condition because of the reckless issues of provincial notes to the extent of nearly 70,000,000 tiaos, of which but a small percentage is supported by a specie reserve. On account of the recent requirement of currency to move the crops there was temporarily a brisk demand for the tiao notes. This is reported to have led the provincial authorities to issue another 5,000,000 new notes, which has caused a sharp drop in their value, compared with the gold and silver yen and the rouble.

The serious effects of the financial embarrassment here are becoming very noticable in the disheartened attitude of the local officials who find themselves unable to accomplish anything in the face of the difficulties, in the petty controversies and misunderstandings between the heads of the various governmental departments, and the audacious manner in which abuses, extortions and robberies are being committed by the soldiers. Many instances have recently been reported of soldiers entering houses and stores upon pretense of searching for revolutionary papers, or other incriminating evidence, of producing documents which they claim they had uncovered, and of taking all the valuables they could lay hands on, or dragging the occupants off to be tortured into giving contributions. On the 5th instant at a little after five o'clock, three soldiers and a civilian robbed a store on one of the main streets of nearly one thousand dollars, shot a policeman who attempted to interfere, and made their escape. Two nights ago, two coolies with their years' saving who had arrived from Harbin, were accosted near the west gate by some soldiers who demanded that they unroll their packs to be searched for revolutionary documents.

The soldiers took 70 roubles from one and 40 roubles from the other, abused them and made their escape.

This recent outrageous conduct of the troops is probably due in a large measure to the arrogant attitude of General Chang Tso Lin, the Division Commander, who, for the past two years has been endeavoring to establish himself as the authority in this province. Having at one time been the leader of a brigand band, and his organization being made up chiefly from the bandit element of the province, and having the first draft upon the revenues of the province for military necessities, he has been able to intimidate most of the opposing influences. Even General Chang Hsi Luan, the Military Governor, dares not oppose him, and there has been constant strife between him and the Civil Administrator. At the time of the death of Chang Tso Lin's mother, some two months ago, the Civil Administrator sent him a condolence present, and it was only the utmost efforts of General Chang's officers that prevented the present being returned with an insult. I am informed that General Chang Tso Lin spends much of his time in playing "Sparrows" for high stakes with a few wealthy Chinese who appreciate the desirability of not losing his favor. No one can fail to preceive that the present attitude of General Chang Tso Lin is extremely embarrassing and disorganizing to an already deplorable situation here, and only tends to hasten interference from outside.

Owing to the financial stringency and opposition from different official sources, Hsu Shih-ying (許世英), the Civil Administrator of Fengtien Province, has found it impossible to retain his post and has tendered his resignation personally to the President, which has been duly accepted and Chang Hsi-luan, the present Tutuh has been appointed Acting Civil Administrator of the province. Hsu Shih-ying has been appointed Deputy to the Political Conference to be held in Peking shortly.

It is reported that General Chang Tso Lin and Governor General Fukushima of the Japanese Leased Territory have agreed to jointly furnish the capital for a Military Bank to be established in Mukden. In view of the way that all the previous Chinese-Japanese undertakings in Manchuria have worked out in actual practice it will be interesting to watch the evolution of this undertaking.

The appointment of Mr. Nomura, formerly Vice President of the Imperial Japanese Railways, to the office of President of the South Manchuria Railway, of Mr. Ito, a leader of the Seiyukai Party, as Vice President, and a complete change in the Directorate of the company probably point to a change in the policy of the Japanese Government regarding Manchuria, especially so, in view of the reported railway concessions recently obtained, and the probability that construction work on the lines from Hsupingkai (四平街) to Taonanfu (洮南府) will be commenced this year. Anent this subject, the President of the Imperial Japanese Government Railways recently gave out a statement on this subject of which the following is an extract:

> "The public seem to be laboring under the impression that the Premier, in changing the heads of the South Manchuria Railway Company, meant to put the Company in order. Such a notion is wholly faulty and does the Premier scanty justice. I am satisfied by my personal observations that the Company has been splendidly managed in all its undertakings which are generally well planned. The efforts and sincerity of the Directorate was traceable in the Company's business results. The two heads of the Company might well be reappointed for

another term. Still a policy, however irreproachable it may be, is liable to cause a stagnancy in the progress of work if pursued for long years, which will be reanimated and accelerated by a change in the policy. It was only to fill this need that actuated the Premier. The Premier has a sincere appreciation of the hard-won successes of Mr. Nakamura as President of the Company and actually expressed his sentiment to Mr. Nakamura. How Dr. Nomura came to be appointed the new President was because of his signal services done to the railway world of Japan as a peer of Dr. Hirai (Railway Adviser to China)."

One Li Chang Wen (李長文), an employee of Fujita and Company was accused of having stolen four gold watches from his employers and was taken to the Japanese Consulate on the 1st instant where he was detained for five days. His friends assert that during his confinement in the Japanese Consular Jail he was given the "water cure", and a confession was forced from him. Ching T'ai and Company, guarantors of Li Chang Wen, considering the accusations false brought the matter to the attention of the Chinese Chamber of Commerce, but that body has refused to take any action on account of the plaintiffs being Japanese subjects.

President Yuan Shih-k'ai has ordered all the treasures of the old Imperial Palace here to be sent to Peking, which are now being packed up and will shortly be sent away. Shang Ch'i Heng (尚其亨) has been sent here to attend to the shipment of these treasures. It is said that the treasures will be exhibited in the Peking Museum, but it is generally understood that they are to be sold.

I

I have the honor to be, Sir,

Your obedient servant,

Fred D. Fisher

Consul General.

800.

F/Fa.

Copy sent to the Department of State.

P.T R

Sub. Political affair in Hunan
Recd. 27 JAN 1914
Ack. 27 JAN 1914
Ans.
Raf.

L. No. 515.

AMERICAN CONSULATE GENERAL,
Hankow, China, January 24, 1914.

Subject: Political Affairs in Hunan.

Paul S. Reinsch, Esquire,
American Envoy Extraordinary
and Minister Plenipotentiary,
Peking.

Sir:-

Referring to my despatch No. 423 of November 4, 1913, in regard to the new administration established in Hunan last fall by the central government, I have the honor to give below a list furnished me by the Rev. W. S. Elliott, sub-agent of the American Bible Society at Changsha, of some of the more prominent former officials of Hunan Province who have been degraded and punished for their connection with the insurrection of 1913; or for malfeasance in office. This information is rather old, but may be of interest for reference.

Yang Te-ling, Commissioner of Finance (楊德鄰財政司) charged with (1) assisting in promoting the second revolution, (2) wrongfully giving out of the public funds Taels 100,000 to Tan Jen-fung, Tso Tao-yu, and Lung Chang, arch revolutionists, (3) opening the "Kuomin chuan" and calling on the common people for funds to pay the expense of the second revolution, and (4) conducting negotiations with the Japanese for a large loan and agreeing to hand over the railway and the Shui Kou Shan Kuang Mines of the province to the Japanese as security for the loan.

It is commonly reported that the last was considered the most serious charge. He was taken out in front of the Governor's yamen and shot to death.

I Chung-hsi, Auditor of Province (易宗羲審計分處處長), charged with (1) assisting in the second revolution and (2) Embezzlement of government funds. He was shot.

Wen Ching-wei, President of the Fu Hsun Commercial School (文經緯富訓商業學校校長) and also a leading member of the provincial board of education, charged with raising money ostensibly for building a large school and using the money to help finance the second revolution. He was shot.

Hsiao Chung-chi, Commissioner of Interior (蕭仲祈 內務司) charged with assisting in the second revolution. There being no direct evidence of his wrongfully using public money he was not shot, although his name had already been placed on a coffin at the execution ground. He was sentenced to four years in prison.

Wu Yun-chun, former assistant chief of the army estimate office (伍運鈞前籌餉局次長) and chief of the River Likin Office near Changsha, a native of Changsha, was shot.

Hwang Yi-chio, Chief of the Department of

Petty Affairs (黃冀球都督府庶務科長) in the Governor-General's office, a native of Changsha, was imprisoned.

T'an Lin-pi, Commissioner of Education is being held in prison.

As to the fate of Tan Yen-Kai, the Governor-General, as he went to Peking and was dealt with there, the Legation is undoubtedly informed. I understand that he was pardoned on account of extenuating circumstances.

The real leaders of the insurrection of 1913 in Hunan, Tan Jen-feng, Tso Tao-yu, Lung Chang, Wen Yen-tzu and Liu Ping-lung, are said to have made good their escape with the Taels 100,000 which they obtained from the Treasurer, Yang Te-ling, and are said to be scattered in Japan and Szechuan.

Many of the persons executed and imprisoned belonged to very influential families in Changsha, and some were on intimate terms with foreigners there. I am told that the people in Changsha feel very bitter about their situation, but that apparently they have no thought of resistance at present, as they are quite overawed by the power and prestige of the central government. The Hunan troops are said to be nearly all disbanded.

I have the honor to be, Sir,

Your obedient servant,

Roger S. Greene

American Consul General.

In duplicate.

800.

R P

News items

AMERICAN CONSULATE-GENERAL,
CANTON, CHINA.

Sub. News items
Recd. 9 - MAR 1914
Ack.
Ans.
Ref.
A.s.

Serial No. 142.

February 26, 1914.

800

Honorable Paul S. Reinsch,
American Minister,
Peking, China.

Sir:

I have the honor to transmit herewith certain items of news which may be of interest to the Legation.

I have the honor to be, Sir,
Your obedient servant,
John K. Davis
Vice Consul General in Charge.

Enclosure:

1. News items referred to.
2. Newspaper clipping from "The South China Morning Post".
3. Newspaper clipping from "The China Outlook".

800

Enclosure. Despatch No. 142.

AMERICAN CONSULATE GENERAL,
CANTON, CHINA.

NEWS ITEMS.

Political.

One cause of the slowness of the present local government to restore normal conditions, straighten out the currency, and reduce piracy, etc., is the constant friction between the Governor General Lung Chi Kuang and the Civil Governor Li Kai Shen. The latter appears very earnest in his efforts to establish and maintain good government in this province, but in many cases his power seems to be greatly restricted by the Governor General and certain generals under him. The Governor General is apparently a man of considerable military ability according to the old Chinese standards, but it is the consensus of opinion of the Consular Body, and others in a position to know, that he has but little executive ability. He apparently initiates but few of the movements towards reform and the restoration of peace and order in this province, but is not slow to criticize and block the plans which the Civil Governor institutes. There is but little doubt that he has no intention of going to the Capital in response to the many requests made by the Central Government unless he is forced to do so, for he seems to be of the opinion that, should he go, he is not likely to receive another appointment which would be as attractive as his present position.

This unfortunate division of authority between the two heads of the Kwangtung government has resulted in the various magistrates being more or less independent and slow to comply with the instructions issued to them by either the Governor General or the Civil Governor. This decentralization of

authority

authority is, of course, very unfortunate in all foreign cases. Should the civil and military authorities in this province be separated in fact as they now are in name, there is but little doubt that the present Civil Governor will be able to improve the situation to a great extent. However, from what I am able to ascertain, the present Kwangtung Government is far less efficient and satisfactory than was the government under the late Manchu Dynasty as regards the handling of foreign affairs.

Reactionary Tendency of the Present Government.

It is deeply to be regretted that the officials who came into power when the Republic was first formed did not remain loyal to the Central Government, since they instituted many reforms which were undoubtedly for the great good of the people of Canton. Now that these foreign educated leaders have been practically exiled for their disloyalty, the plans which they instituted have practically all fallen through. Refuge homes for slave girls have been given up, and there is, apparently, a great unwillingness on the part of the present government to do anything for the amelioration of the condition of the people. The police force at present is far less efficient than it was under Ch'en Ching Hua, the Police Commissioner who was executed in September last. This retrogression is accounted for only in part by the financial straits of the present government.

The Chinese New Year.

As reported in the press, the recent Chinese New Year was obseerved practically as in former days. This and other signs would indicate that the masses of the people have been only too glad to drift back into the old ways of doing things.

The large number of failures, so freely predicted in the press, both Chinese and foreign, fortunately did not occur, and comparatively few firms were compelled to close their doors at this time.

The Currency Problem

The currency problem remains practically the same as previously reported, the military government notes being still at a discount of approximately forty-five per cent when exchanged with fractional silver. The various expedients of the authorities for bettering the situation in this matter have resulted unsuccessfully and in several cases rather unfortunately, having given rise to small disturbances. At present there are several schemes on foot which might relieve the situation, the first being the $10,000,000, Hongkong currency loan by the London bankers, which has been already reported to the Legation. Another plan is the establishment of a Government Bank by funds raised locally. An account of the plans for this bank, as it appeared in the "South China Morning Post" of February 4th, which I transmit herewith, appears, as far as I can find, to be fairly accurate. The general belief, however, is that this plan will not succeed, for its success rests to a large extent on the willingness of Chinese capitalists here and in Hongkong to contribute funds, and in view of the unscrupulous misappropriation of public funds by previous Governors-General and other officials, the wealthy Cantonese are not at all likely to invest their capital in a scheme which they consider, and not without reason, as rather precarious. A third scheme for the amelioration of the currency question is described in an article from "The China Outlook" of February 20, 1914, which I enclose herewith. The latest scheme proposed for the maintenance of the currency is one recommended by the Canton General Chamber of Commerce. This institution recommends the organization of a "Ch'ien I Hui" (Association of a Thousand Benefits), a scheme which practically amounts to a government lottery as the proposal is to conduct it as follows:

"There will be six classes of tickets sold, viz., $0.50, $1.00, $2.00, $3.00, $5.00 and $10.00, the tickets of each denomination to be 1,000 in number and to constitute a separate lottery, with three big prizes and ten small prizes in each lottery, to be drawn for twice a month. The prizes for the $1.00 series are: one for $450.00, one for $150.00, one for $100.00, and ten for $5.00. The prizes in the other lotteries are to be in proportion. The tickets will be sold and prizes paid exclusively in Canton notes, on the understanding that, after the payment of prizes, the notes remaining on hand will be officially destroyed by the government. Owing to the gambling element of the scheme, which is similar to the former 'Weising Lottery' which was prohibited by the late Manchu Government, notwithstanding the local government's approval, opposition has been raised in different quarters, and it is hardly probable that the suggestion will materialize."

Piracy and Kidnapping.

Piracy and kidnapping continue to be as prevalent as in the past, notwithstanding all the efforts which have been made towards their suppression.

On January 14, 1914, Mr. John S. Kunkle, of the American Presbyterian Mission, and his sister, Miss Hannah Kunkle, while returning to their station at Lienchow, were robbed of everything they had to the value of $307.00, Hongkong currency. They, however, suffered no violence at the hands of the pirates.

This case was immediately taken up and strong representations were made to both the Governor General and the Civil Governor, who report that serious investigations are being made by the military and civil officials, and that they hope that the culprits will be apprehended and the lost goods recovered.

On the 10th instant a lighter belonging to the Standard Oil Company was pirated of kerosene oil, the loss amounting to $676.61, Hongkong currency. In this case, on strong representations by this Consulate General, the officials took prompt action and succeeded in capturing six pirates who are now held pending further investigation, and the Chinese shop which purchased these goods has also been definitely ascertained. It is hoped, therefore, that the entire amount of this loss will be recovered. The successful handling of this case is, unfortunately, the exception rather than the rule, for the Standard Oil Company has in the past twelve months been the victim of seven piracies, and in but few of these cases has any satisfaction at all been obtained.

During the past two or three months there have also been several cases where American missionaries traveling in the interior have been stopped by pirates and relieved of some of their possessions. The losses in all these cases have been slight, and no personal violence has been done. In fact, none of these cases have been officially reported to this Consulate General, which has only become aware of them sometime subsequent from other parties. Several cases, also, have occurred where the wives of American citizens of Chinese descent have been kidnapped, as well as a number of cases where women folk of the Chinese Christians have been kidnapped by pirates.

There can be but little hope of an amelioration of the conditions mentioned in this province until a strong central government has been established here, and also not until more industries, such as manufacturing, mining, etc., are opened up, which will offer employment to the large surplus population which is now forced into piracy by actual want as much as from inherent lawlessness.

American-Chinese' Misuse of Citizenship.

Several cases have arisen lately in which, while there has been no clear proof, there has been every reason to believe that American-Chinese citizens, holding passports and registered in the books of this Consulate General, have used their citizenship improperly by having property to which the deeds were questionable transferred to them, and in other ways using their citizenship to defeat Chinese justice. The majority of American-Chinese citizens returning to China go into the interior and enjoy all the benefits of Chinese citizenship and do not disclose their true nationality until they are in difficulties with the Chinese officials. There are also strong reasons to suspect that passports issued by the Department of State are freely handed from one person to another. This abuse will doubtless be mitigated to a certain extent in future by the new rule by which photographs are required to be attached to all passports issued by the State Department to American-Chinese citizens. It has been the practice of the writer to insist on the American-Chinese holder of a passport having the same properly visaed by the local authorities, as it is thought that having the name and description of the holder in Chinese as well as in English will still further lessen the misuse of these passports.

American Locomotives.

A short time ago the Kwangtung Yueh-Han Railway Company purchased five American locomotives of the "consolidated type, three of which were purchased from the American Locomotive Company and two from the Baldwin Locomotive Company, the total value amounting to £ 20,400. At the same time this Railway purchased from American firms spare parts to the value of £ 6,000, six forty-ton steel bridges of sixty-five-foot clear span, and two stone crushers of a capacity of ten tons per hour. This Company is also in the market for 100 cars and one seventy-foot railway turn table, and I am informed by the representative of an American firm that he has practically closed the contract for both. The fact that the above-mentioned supplies have been purchased from American companies in preference to companies of other nationalities is due chiefly to the fact that the Chinese engineers in charge were American educated and that they made their specifications in such a manner that it was very difficult for firms of other nationalities to compete.

John K. Davis
Vice Consul General in Charge.

Enclosure. Despatch No. 142.

AFFAIRS IN KWANGTUNG AND KWANGSI

[Special Reports to the "China Daily Outlook."]

GOVERNMENT PROCLAMATION.

As a result of the big meeting which was held at the Governor-General's Yamen on the 16th instant a joint notification has been published by the Governor-General and Civil Administrator for Kwangtung [illegible] what steps have been taken towards the rehabilitation of the currency notes. The main features of the scheme which received the unanimous approval of all who were present at the meeting consist of the following:

1. A committee of twenty men, ten of whom are chosen by the merchants and the remaining ten by the Government has been formed and entrusted with the consideration of the [illegible] of the maintenance of the notes, including that of the raising of funds for the establishment of a bank whose object will be the placing of the notes on a sound basis.

2. Government property to the value of over [illegible] has been handed over to the Committee to be held by them as security for the note circulation. The Committee is given power at any time they think fit to realize the property thus held by them so as to provide capital for the establishment of the bank above mentioned and if the proceeds fall short of the amount required additional Government property will be handed over to the Committee to raise a further sum.

3. Public debt bonds payable at stated times will be issued in exchange for the currency notes which have been issued by the Military Government of Kwangtung. These bonds will be issued to any one tendering such notes to the nominel value of $300 and upwards. The bonds are payable at the expiration of one, two and three years respectively according to the time at which they are taken up. Those taken up within one month of the date of the notification are payable in one year, payment being made in Subsidiary silver at the rate of 90 per cent. Those taken up after one month and within three months of the date of the notification are payable in two years payment being made is subsidiary silver at the rate of 98 per cent. Those taken up after 3 months and within 5 months of the date of the notification are payabel in 3 years, payment being made in Subsidiary silver at their full face value.

[illegible] at the [illegible] after the [illegible] date of the [illegible] bonds will be issued [illegible] be accepted by the [illegible] Kwangtung [illegible] currency notes [illegible] cancelled by the [illegible] Government [illegible]

4. The [illegible] feast monopoly [illegible]

[illegible]

Enclosure. Despatch No. 142.

The South China Morning Post

February 4th 1914.

CANTON'S NEW BANK.

AN AMBITIOUS SCHEME.

The following is a translation of the draft [illegible] of the [illegible] Bank to be discussed at a meeting to be held to-day:—

1. This Bank shall be named as the "Kwong Tung Hang Yik Bank." The [illegible] of establishing this [illegible] a basis for pecuniary relief and the maintenance of commerce.

2. The capital of this bank shall be ([illegible] Canton twenty-cent [illegible] currency) divided into 3,[illegible] shares of $10 each to be [illegible] paid up. The means of raising shares will be as follows:

(a) The Kwong Tung Government will subscribe $[illegible],000,000 to be wholly paid [illegible].

(b) The merchants in Canton, Hongkong, [illegible] and various foreign [illegible] asked to subscribe $25,000,000—$5,00,000 of which shall be paid in silver and the remaining $[illegible],000,000 in Kwong-Tung paper notes at the original discount of 50 per cent.

3. This Bank will be the organ for relieving the paper currency, for the buying and selling of raw gold and silver, and for receiving deposits and transacting exchange business.

4. Since this Bank has to relieve the paper currency and to act as agent for the Canton Treasury, the Kwongtung Government should have a portion of its public property assessed at worth more than $10,000,000, reduced to $10,000,000, and place same in the hands of the bank and also have current accounts and fixed deposits of $25,000,000 each in the bank as security for the payments and receipts of the Canton Treasury (i. e. the security for obtaining confidence in the circulation of the paper currency). It is also stipulated that the Canton Mint shall manufacture dollars and coins for this bank in the same manner as it has hitherto done for the province of Kwongsi.

5. In the matter of improving Government property, this bank shall be entitled to render assistance by holding important posts under its supervision. The candidates for the said posts can be recommended by the bank and and appointed by the Government in order to carry out the object of guarantor. But any one who neglects his duties shall [illegible]

[illegible] affairs, and [illegible] and their [illegible] will be considered [illegible] the Committee.

10. This bank shall be [illegible] company; shareholders [illegible] therefore be only [illegible] the number of [illegible] subscribed, and [illegible] sponsible for any [illegible] be incurred in addition to [illegible] shares.

11. Shareholders of [illegible] nationality will also be [illegible] according to the [illegible] the citizen of the Republic of China.

12. The interest to be paid by this bank on Capital shall be reckoned from the date of collection.

13. Subscribers who pay their subscriptions wholly in silver will be regarded as holding special shares and the interest on their subscriptions will be [illegible] per cent extra.

14. After the establishment of the bank the profit for the year after paying usual interest on Capital will be divided into forty parts appropriated as follows:

15 parts to be paid as bonus to shareholders,

[illegible] of this bank [illegible] to be erected on the Canton Bund and branches and Agencies will also be established in all busy places within and without the province. [illegible] will be issued in order to effect extension of trade.

19. Any subscriber who pays his subscription will be granted a receipt as proof until the bank is established, when a meeting of shareholders will be called by the Committee and auditors will be elected by the shareholders to audit the number of shares and other necessary business. The Committee will at the same time draft a copy of articles of association for registration with the Board of Commerce. Formal share scrips will be advertised in the newspapers for exchange.

20. Shareholders of this bank may be [illegible] merchants or ordinary people and may hold a small or a great number of shares, but they will be uniformly treated according to the registered Articles of Association.

21. The registered articles of Association of this bank and its regulations for transacting business will be formed according to common law. They may be had by shareholders for perusal on application.

22. Any corrections made in these draft regulations will be publicly announced by the promoters of the bank and published in succession.

The following six articles are also appended:—

1. This bank has now been permitted to issue [illegible] bank notes to the total value of $20,000,000 to assist in the collection of the Kwongtung paper notes. In future when the business has become a success, it will also be permitted to issue extra banknotes for circulation in the market, but the number of extra banknotes issued must have an equal reserve fund as security, and in the event of the Government enacting a bill for taxes to be paid in paper notes, it should be observed.

2. After the establishment of this bank, its term of existence shall be at least thirty years and if it has committed no unlawful practice the Government shall have no right to dissolve it or raise any obstacle to commercial enterprise.

3. All promoters of this bank must subscribe at least $5,000 each and raise $20,000 in addition to same.

4. Directors shall be elected from among the promoters of the bank.

5. Every individual who subscribes $25,000 will be eligible to be elected on the Committee and those who subscribe $5,000 will be eligible to be elected as Directors.

6. The Canton paper notes collected by this bank will be gradually redeemed and cancelled by loans at the collected price by the Kwongtung Government and interest paid at the rate of 6 per cent. If loans be unsuccessful, the Government will give an equal amount of likin duty and taxes as security and redeem same by yearly instalments. But interest is to be paid twice a year.

P R

Political conditions in Nanking District

AMERICAN CONSULAR SERVICE,
NANKING, CHINA.

Sub.
Recd. 12 MAR 1914
Ack.
Ans.
Raf.
A.

No. 26.

March 7, 1914.

__Subject__: Political conditions in Nanking district.

Honorable P. S. Reinsch,
American Minister,
Peking.

800

Sir:

I have the honor to report that conditions in Anhui province show no change for the worse since my last report, and much of the excitement aroused as a result of the White Wolf depredations seems to have subsided. The country districts to the west of Anking and in the far north are still, however, in a very unsettled condition. Reports have been current that White Wolf bandits had invested Yingshanhsien and Pochow, but the latest information connects such rumors with the activity of various small bands of local tufei in those districts. From letters received from Anking and Hwaiyuan the following is quoted:

> "Hwaiyuan, March 5.
>
> The present magistrate has proved efficient in putting down robbers but has not a very good reputation for justice in settleing affairs. Shortly after the taking of Luanchow he called and promised to warn us if White Wolf came in this direction at the same time promising an escort of soldiers to the railroad at Pengpu. He also agreed to reimburse us for any loss incurred.
>
> A fairly strong band of robbers fought the

soldiers

__800__.

> "soldiers near Yingshanhsien to the southwest some days ago but the soldiers were defeated. The robbers were not strong enough to come out of the mountains. About the same time a small band of robbers gathered some twenty miles to the northeast of here and were dispersed after two days fighting. On February 26th a larger band of robbers gathered near Pochow but troops came from all directions and the robbers dispersed before the soldiers arrived. We do not feel that the troops now in the city are particularly well drilled or seasoned fighters, but they seem to be capable of meeting all ordinary affairs."

> "Anking. March 6.
>
> On March 4th fourteen men were arrested who were said to be emissaries of White Wolf and were trying to induce one of the military camps to revolt and join him. They had several hundred dollars which they were using as an inducement, but as the Tutu seems to be willing to pay more money for information than they are in the least likely to get as loot, information was given and the men arrested. They have not yet been executed as it is understood that there are other members of the band whom they wish to catch first."

Referring to conditions in the north of Kiangsu province, I have the honor to state that it is now reported that the force of the ex-brigand Chang Pa who with several hundred followers decamped from Haichow upon the receipt of orders to disband, has been routed by the Government troops, a general scattering of the bandits having resulted. The following interesting letter from Yencheng on the coast is also quoted for the information of the Legation:

> "Yencheng. February 23.
>
> This section of the country is so far all quiet. There are still robbers in the country districts but they have been quiet of late. So far as I can judge there is a force of seven or eight "camps" of soldiers in this section, including the cities of Taichow and Tangtai in the south and Funing in the north. Each camp is supposed to have five hundred men, which would give us from three to four thousand soldiers.

"These are under several commanders and so far as my observation goes they are all working harmoniously together. There is undoubtedly on the part of most-if not all-the intelligent and progressive element a deep dissatisfaction with the course of the present administration, and a longing for a genuine republican form of Government. But for the present they are submitting quietly to what seems the inevitable.

In my last letter I spoke of this as a port. In further conversations with men in a position to know, I learn that boats of 800 tons could enter the port without difficulty. At low water, as I am told, there is between ten and twenty feet of water on the bar. There are sand banks to the south-east of the mouth, but a clear channel through them. Outside the mouth is a safe anchorage between these sand banks and the shore, on the southern side of the mouth. I am told that the port is far superior to that of Haichow, and fully as good as that of Tientsin. It has never been charted or lighted, but prominent gentlemen did buy lights preparatory to installing them. It has not yet been done. Thus far, so far as I know, no foreign nation has noticed this port, but it may be of importance for our Government to know of it in case any question should arise. Any Government seizing this port could when the canals are full admit soldiers and place them in Nanking in three days time, without passing Shanghai. This could not be done now on account of the low water."

I have the honor to be, Sir,

Your obedient servant,

Albert W. Pontius
Consul.

(Copy to Department)

800.

Political, Financial, and Administrative conditions

Peking,

No. 151

March 16, 1914.

CONFIDENTIAL

800

The Honorable,

The Secretary of State,

Washington, D. C.

Sir:

I have the honor to submit the following report on the present situation in China for the information of the Department, and as a basis for a telegraphic instruction should certain eventualities arise:

The political authority of the Central Government in China at the present time rests upon military organization. Other sources of authority, such as customary submission on the one hand, and the support based upon the intelligent cooperation of all classes of citizens in the achievement of the purposes of government in accordance with public opinion on the other, are only of secondary influence at present. It is therefore im-

important to

portant to inquire whether the military power is so organised as to afford a stabilising support to public authority. This does not seem to be the case.

In the first place, the existence of a large army of doubtful efficiency is in itself an evil, considering the present limited resources of the Chinese State, and the fact that any attempt to reduce the military forces to more reasonable dimensions meets with stubborn opposition. Whenever troops are disbanded, they show no tendency to return to useful occupations: the ex-soldiers desire only to continue to live upon the country, and, no longer serving the established authority, they join bandit gangs, rendering the interior of the majority of the provinces insecure.

The weakness of the army is strikingly demonstrated whenever an attempt is made to use it to defend the country against either external or internal enemies. In the campaign against the Mongols, the Chinese troops have failed entirely; even within the country itself, this huge army is not able to insure the fulfillment of that first duty of a government - the protection of the lives and property of its citizens. In the Provinces of Honan and Hupei, brigands, led by a person known as "White Wolf", have for months been terrifying the population; ravaging the countryside; sacking walled cities; murdering, and outraging the population; and in a number of instances have killed foreigners. So far the army has been powerless to suppress these brigands: in fact, evidence is at hand that the troops have repeatedly been so lax and remiss that the only explanation of their conduct would

seem to lie

seem to lie in a secret connivance at the brigandage, and lack of cooperation among the commanders of the troops.

With the death of Chao Ping-chün, a powerful military leader and supporter of the President has been taken away. Notwithstanding the medical reports, forwarded in my despatch No. 140 of the 3rd instant, the belief is growing more common that his death was due to poison.

As the authority of the Central Government is commensurate with its control over the tutuhs, or military governors, the attitude of the latter towards the President has to be carefully watched; and it is causing no small uneasiness that there does not seem to be perfect agreement among these pillars of authority in the various provinces: thus, friction has recently been reported between General Tuan Chi-jui, the Minister of War, who is the acting tutuh of Hupei, and General Fêng Kuo-chang, the tutuh of Kiangsu, two of the most powerful supporters of the President.

None of the provinces of China has, during the last three months, been free from brigandage, attempted rebellion, troubles resulting from the disbanding of troops, and local riots. Conditions are worst in the Provinces of Honan and Hupei, in which the bands of "White Wolf" are operating. These bands have assumed a distinct anti-foreign attitude. In Kansu there are constant Mohammedian uprisings, related to the open rebellion in Tibet and Mongolia. Bandit movements have also occurred in the Provinces of Shansi, Shensi, Szechuan (super-added to revolts of the troops), Anhui, Kiangsi, Hunan, Fukien, Kweichow, Yunnan, and Kwangtung. Chekiang, Kwangsi, Shantung, and Chihli have been most exempt from such troubles.

Financial Administration.

While the Government has been unable to fulfill its duty of protecting the lives and property of its citizens, it is also unable to exercise the elementary power of providing, through taxation, the needs for its own support. The maintenance of the army has eaten up the available means and it has not been possible to secure sufficient money from the provinces to meet the ordinary running expenses of the Central Government. The remarkable resisting power of China is illustrated by the fact that, notwithstanding the conditions of rebellion and political unrest which characterized the year 1913, general commerce remains so active that the collections of the Customs and of the Salt Gabelle exceeded those of any previous year. These two sources of revenue are sufficient to provide for the interest payments and amortization of the long-term foreign loans now contracted: their administration, under foreign control, has secured to the Central Government the funds to meet these obligations and to avoid open bankruptcy. All other forms of taxation are disorganized. The collection of the land tax was in many places discontinued; records had been destroyed, or the population took an attitude hostile to its collection. The proceeds of the likin, as far as collected, are retained for provincial use. All together, the Central Government received from the provinces not more than five per cent. of the estimated income from these sources under the last Imperial Budget for 1912.

Meanwhile, the Central Government has been living from hand to mouth, using the proceeds of foreign loans for administrative purposes, and is kept going by taking cash advances upon foreign loan contracts made for furnishing materials and for various concessions. In this way the future has been discounted to a dangerous extent.

General Administration.

The weakness of the financial administration of the Government is found in all other branches of its activities. There has been little evidence of constructive capacity.

In the ministries and departments of the Central Government the greatest disorganization is apparent. In dealing with technical questions the officials are often entirely at sea, not being trained themselves in these matters, nor willing to make real use of the many advisers who are engaged by the Government; there is no adequate system of accounting; the departmental records are not well kept; frequently the existence of a transaction is not known to the officials most nearly concerned; past transactions, fully consummated, have been forgotten; there is no centralization of governmental knowledge: so a great deal of the public business is transacted in a haphazard way, leaving to a helpless opportunism of doing the things most strongly urged and of grasping at small immediate advantages at the cost of engagements long to be regretted.

Ambitious schemes of general policy have been brought up, and elaborate regulations promulgated, to all of which little attention is subsequently paid. On the other hand, there has scarcely been one single concrete result obtained in constructive work.

The metropolitan Province of Chihli has been quiet and peaceful since the outbreak of 1912. The Government here certainly has sufficient authority to introduce constructive reforms, and the general conditions for such action in this Province have been relatively most favorable. But not even in the case of Chihli Province has the taxation system been rendered efficient; no efficient auditing methods have been introduced in practice, although systems of auditing control have been promulgated; educational institutions have been allowed to run down: in short, under the most favorable conditions, no constructive work has been accomplished.

Nearly all attempts to do something of a constructive nature have been immediately associated with foreign loans, often involving a cash advance to the Government. It may, of course, be said that the great difficulty of the Chinese Government is exactly that it lacks the funds for carrying out constructive work; and that, therefore, only such lines of improvement can be followed for which it has been possible to secure foreign loans. This, however, is only partially true. A great many reforms could have been accomplished without the increase of expenditure; indeed, they would have resulted in a reduction of outlay. The fact seems to be that the Central Government, realising how important foreign financial support had been to it during the Revolution of 1913, was anxious to secure more and more funds from abroad without counting the ultimate cost.

An opportunity for obtaining from abroad large sums of money, far beyond any amount ever before dealt with by Chinese officials and merchants, has in itself had an unsettling effect upon methods of public business. The old caution and economy, which kept the public debt within narrow limits, have given way to a readiness to obtain funds from abroad in enormous amounts, without apparently the realization of the burden imposed upon China by way of the necessity of return in the future through the results of labor and sacrifice of millions of people.

Nor has the old system, under which the inadequate salaries of officials have ordinarily to be supplemented by extraneous illicit gains, given way to a more efficient and business-like organization of the public service under which officials would be able to devote their undivided attention to the accomplishment of their regular alloted tasks without spending their energy in contriving additional means of obtaining income. While, in the case of certain classes of officials, the Government has endeavored to place their salaries at a figure sufficient to render them independent of these practices, the present resources of the Government are not adequate to enable it at once to place the entire public service upon a basis of individual independence. It is also true that certain among the closest advisers of the President are commonly believed to have used their positions for the purpose of accumulating vast private fortunes - a belief which, whether justified or not, must be counted with in determining the standing of the government as enjoyed throughout the country.

Thus the old hostility and lack of confidence, which formerly characterised the relations between merchants and officials, continue under the present system.

Representative Institutions.

Through the dissolution of the Parliament, the Government has destroyed an organ which might, in the course of time, have established relations of confidence between the great middle class of China and the Government.

President Yüan Shih-k'ai said at one time:

> "The principle of government, both in ancient and modern times, consists in the establishment and maintenance of public order, and in the clear definition and promulgation of legal systems, so that externally there shall be good and friendly relationships and internally there shall be peace between the weak and the strong."

As a statesman, the President emphasizes in the first place the requirements of order and of authority. To him it seemed that Parliament, with its free discussion, with its opportunity for forming political factions, opposing the men in authority, stood in the way of the establishment of a lasting system of legal order. He, therefore, dissolved first the national Parliament, then the assemblies of the provinces, and finally the local self-governing bodies. In each case inefficiency was justly complained of: the men in the parliamentary bodies had often been self-seeking, factional, and unpractical. But the President seemed to have no perception of the true value of parliamentary action as a basis of public authority: he considered opposition to the Government synonomous with opposition to lawful authority. And in his ideas upon the reconstitution of Parliament, as far as they have beenaannounced, two main principles dominate: first, that only men of mature experience and of conservative ideas should be selected; and secondly, that the activities of Parliament should be confined to discussing and giving advice upon policies determined upon by the Administration.

There is no doubt that the middle class of China - the merchants and men of learning; people who form public opinion as far as it exists - are strongly in favor of representative institutions. The Parliament, having even the limited functions foreshadowed in the official declaration above referred to, might be used by the Government to conciliate the opinion of these classes and to enlist their support.

But in seeking for the basis of constituted authority, the President is evidently more inclined to rely upon custom than upon a free expression of public opinion. For this reason, the worship of Heaven and of Confucius has been reinstituted of late in the belief that the great mass of the Chinese population need some symbolism of authority in order to give reality to their conception of government. The abstract corporate idea of Government to which western nations have accustomed themselves can not yet, it is believed, be grasped by the people of China: government must be represented to them through the forms of thought to which they are accustomed. In other ways, too, there has been a return to old methods: thus, the magistrates' examination, which has just been held in Peking, was characterized by the same abstract literary methods that prevailed in the old-style examinations. Topics such as the following were given out for a day's task in composition: "In the administration of government, work is more important than talk."

Just at present, the Government seems to find itself at a parting of the ways. The difficulties above outlined, which the Government has encountered, have made it plain that an adequate basis of authority has not yet been developed. The question is: shall there be a further reaction towards the old accustomed forms of Chinese politics, or shall some new basis be found. The President - a man believing in order and authority, thinking in terms of military discipline - represents in himself the traditional thought of the Chinese masses. Being forced to seclude himself, he is entirely in the hands of his entourage; he has no opportunity of coming in touch with the currents of thought in the various parts of China: he has only such information as is filtered through the interests and prejudices of his immediate following.

It is confidentially reported that at the present time the restoration of the monarchical form of government is being seriously considered as the only form of authority which the people can understand. It is alleged that the people do not pay taxes because they have no conception of the Government as a commonwealth organization, and because there is no longer an emperor to whom, by force of immemorial custom, such taxes were payable.

But while one class of advisers is urging upon the President this course of action, which would appeal to the inherited political instincts of the masses of the people, others are recommending an entirely different alternative. They believe that the force of public opinion, while inarticulate, is still definite and to be reckoned with; they believe that the middle class of China, while they do not have a very clear conception of popular representative government, will not give their active support to any authority that does not take them into its confidence and does not in some regular form consult their opinion. These men, among whom the ex-Premier, Hsiung Hsi-ling, and his associates, Liang Chih-chao and Chang Chien are leaders, believe that at this juncture authority can be permanently strengthened only by giving more life and importance to representative institutions and thus directly inviting the cooperation of the commercial and educated classes in the work of government.

In some quarters also, a third alternative is suggested, being a combination of the two others, including a reconstitution of the monarchical headship of the State, together with the creation of a parliamentary assembly representative of the most powerful, wealthy, and intelligent classes of China.

On March 11th a proposal made by a magistrate of Chengkou to the effect that Yüan Shih-k'ai should become President for life was circularized to the tutuhs and governors for an expression of their opinions.

In so far as foreign nations will participate in influencing the present situation, it is probable that most of the European nations will back the President in any reaction towards the older forms of Chinese political organization. This is due partly to the monarchical principles upon which most of these governments are founded; and partly to a belief that in a vast country like China transition to an untried system of political organization is full of danger.

In the above memorandum I have stated the great difficulties with which the Chinese Government at the present juncture has to contend. The transformation of governmental methods and practice in a country of so large a population and with so intricate a system of social organization cannot in the nature of things be accomplished in a short time without difficulties. In China, the force of existing obstacles in the way of improvement is aggravated through an exceedingly unfavorable international situation. Furthermore, on account of the great impatience manifested by Chinese reformers from 1910 on, the gradual constructive transformation of the Chinese body politic has been retarded and its accomplishment imperilled. In a situation such as this, where there is so much doubt and confusion, a simple policy of constructive work, advancing slowly, step by step, is much to be desired, and it is in this way that the example and influence of a country like the United States may even now be of assistance to China in helping to determine the tendency which her political development has to take. It is true the vast masses of the Chinese population are so different from the people of the United States in their conditions of life and in all other inherited tendencies that any direct transfer and adoption of foreign institutions and methods are scarcely to be looked for. But in the temper of approaching public questions, ~~and~~ in the practical spirit of work, and through technical experience, a great influence may be exercised. Whether the exertion of such influence will be possible will, however, depend in large measure not so much upon the abstract excellence of American principles and methods, but upon the actual position which America will occupy in the next few years as a factor in Chinese development - commercial, financial and political.

From the point of view of the action of the American Government, a number of practical questions disengage themselves from the situation as above outlined:

First, is it advisable that Americans should be given any encouragement to invest money or engage in enterprises in China while there is so much uncertainty in the political situation? From the point of view of the interests of the individual investor, it may be said that the safety of investments is not seriously compromised by the unfortunate situation in which China finds herself; for, either conditions will improve, Chinese independence will be maintained, and the recuperative powers of the nation assert themselves, and there will be, with the opening of the natural resources of China, an era of marked economic advance and prosperity; or, in the event of the worst possible fate befalling China - that of national bankruptcy, the administration of the country would be taken over by other powers under whose control all just obligations would be protected to the full. It would seem that on neither alternative would the substantive rights of investors be affected, although, of course, the recurrence of unrest or the changes connected with a transfer of authority might be the source of incidental difficulties and expense. From the point of view of American national interest, it is of great importance that American activities in China should be more fully developed. It is only through active cooperation in the upbuilding of China in commerce, industry and finance, as well as in educational and intellectual matters, that Americans may claim to rival and offset the influence exercised by other nations, often far from favorable to the further development of the Chinese people. Just at the present juncture, the active support which China can look for from one group of nations or another will have a strong influence in determining the tendency of her action.

Secondly, it is to be determined what attitude would be taken by the American Government should the reactionary tendency continue in China and should the attempt be made to reestablish a monarchical form of government.

Third, the general situation above outlined has a direct bearing upon the security of Americans - officials and others - now resident in China, and accordingly upon the policy to be pursued by the American Government with respect to the Legation and railway guards in China, to which your telegram of March 12, 4:00 p.m. refers.

I have the honor to be, Sir,

Your obedient servant,

PAUL S. REINSCH.

800.

A true copy of
the signed original.

Report of conversation with the Japanese Minister

Peking,

No. 153. March 16, 1914.

CONFIDENTIAL

800.

The Honorable,

The Secretary of State,

Washington, D. C.

Sir:

I have the honor to enclose a Memorandum of a conversation I had with the Japanese Minister on March 12th. We were at the time at the Russo-Asiatic Bank, where there was an evening party with theatricals going on. In the course of the evening we sat together for upward of an hour engaged in an informal conversation, of which a synopsis is contained in the accompanying Memorandum.

I have the honor to be, Sir,

Your obedient servant,

(Sgd) Paul S. Reinsch

Enclosure:
As stated.

800.

A true copy of the signed original.

IDENTIAL

Memorandum of a conversation between Mr. Yamaza, the Japanese Minister, and Mr. Reinsch, the American Minister, on March 12, 1914, dealing with the Japanese claims to preference in the Province of Fukien; the Hanyehping loan matter; and the Standard Oil Company's concession.

-o:O:o-

After general conversation about the state of affairs in China, in the course of which the Japanese Minister proposed the question , "What is the difference between Chinese officials and Chinese bandits?", to which he answered, "When brigands take the property of the Chinese they make no objection, but when the officials try to take it by way of taxation there is a great outcry"; and in which Mr. Yamaza expressed his opinion upon the failure of the Central Government to effect a stable and efficient organization, he inquired concerning the newspaper reports on a proposed American loan for the purpose of establishing a naval base somewhere on the coast of Fukien. I assure him that these reports were entirely unfounded, as the contract which had been concluded in 1911 with the Bethlehem Steel Corporation, and which had recently been ratified by the Chinese Government, dealt with the construction of ships and not with the creation of a naval base; and that there were at the present time no negotiations of this kind going on between the Chinese Government and Americans. The Japanese Minister thenstated that, on account of the proximity of the Island of Formosa, the Japanese Government would not be able to see with indifference the establishment of a naval base on the coast of Fukien, and that it would consider such a move to be directed primarily against itself. I said that, in my opinion, such a conclusion did not follow; that the Chinese Government, in its sovereign capacity, must be able to establish means of defence in any part of the national territory without therefor being held to act in a manner antagonistic to any particular nation. Mr. Yamaza then went on to say that the Japanese Government considered that it had special rights and interests in Fukien, and spoke of an agreement. I asked him whether such a agreement existed. He replied, "No, not really an agreement, but an understanding. There is the non-alien nation agreement of 1899 and a general understanding, which my Government has since had that preference should be given to Japanese capital and enterprise in the development of Fukien." I recalled to the Japanese Minister that the American Government had never recognized the non-alien nation agreements as importing the establishment of special spheres of influence, and stated that, while I did not know of any enterprise in Fukien contemplated at the present time by Americans, we should certainly claim for our nationals every opportunity of engaging in that province in commerce, trade, and industry.

The above declarations of the Japanese Minister seemed to me important in connection with a general revival of an attempt, more or less, to localize the economic interests of foreign nations in China.

I mentioned to Mr. Yamaza the fact that we had repeatedly discussed together the importance, to both Japan and the United States, of the continued integrity of China, and he agreed with me that it is very desirable that the alternative policy should not be encouraged.

We then spoke of the Hanyehping Loan Agreement, which is at the present time subject to much discussion and opposition on the part of the Chinese. It is generally recognized that the Agreement will give to Japanese interests, and thereby to the Japanese Government, the control of the most extensively developed iron ore deposits in China. The Japanese Minister stated that criticism of the contract was not well founded, because the price at which iron ore was to be furnished to the Japanese was, under the terms of the contract, to be adjusted periodically in accordance with prevailing market prices. He also stated that the company had got into so hopeless a condition, it could not extricate itself without giving very large powers of control to anyone that would advance money on the properties.

In the course of the conversation we touched on the Standard Oil Company's concession. Mr. Yamaza stated that he felt that the Chinese Government had not dealt justly with the Japanese; that it had led them to believe that their proposals were being favorably entertained, and then suddenly announced that the concession had been granted to the American Company. I told him that we were not informed that the Chinese Government had commited itself in any way to other parties negotiating for the concession, except in giving consideration to their proposals; and that, of course, it is not fair to assume that the mere commencing of negotiations in a certain matter involves a commitment on the part of the Chinese Government to grant the favors asked. The Japanese Minister then stated that he had received instructions in this matter from his Government, and that he would see me in this connection in a very short time.

I also asked Mr. Yamaza whether he had noticed that, while the papers controled by Japan had bitterly attacked the Standard Oil Company's contract and were practically alone in taking this adverse position, Japan had not been similarly treated in connection with the Hanyehping matter by American journals, although in this case criticism and opposition to the loan were almost universal. I also asked him to consider that the tendency of newspapers to interpret every American enterprise in China as having its point directed against Japan was due to the love of sensationalism and had absolutely no foundation in the sentiments of the Americans here active who are engaging in commerce and industry for the sake of such enterprise and with no view to making political opposition to Japan or to any other nation.

AMERICAN CONSULATE.

Political conditions in Szechuan

No. 81

Chungking, China, March 19, 1914.

Subject: Szechuan Continues Unsettled.

Sub.

Recd. 4 - APR 1914

Ack.

Ans.

Ref.

Ans.

Honorable Paul S. Reinsch,
American Envoy Extraordinary and
Minister Plenipotentiary,
Peking.

800

Sir:

I have the honor to state that the unsettled condition of this province, as reported in previous despatches, appears to be more or less chronic. The situation, however, presents no peculiar or unusual features as compared with that which exists at the present time in most of the other provinces. In a telegram of April 13, 1912 to the Legation I summed up the general situation as follows: "Superfluous troops, shortage money, unsettled authority indefinite menace." These eight words not only described the situation then but have applied more or less from that time until this. Not only are there more troops enlisted at the present time than the province can conveniently support but this region teems with well armed soldiers who either deserted or were disbanded and have now become robbers. Their ravages have had a most unfortunate effect upon trade and the province is suffering very much in consequence. People are afraid to travel and hesitate to send their money or goods overland. Foreign trade has also been unfavorably affected by these unsettled conditions. The sales of Standard Oil and of many other foreign products has fallen off considerably of late and although the price of Standard Oil has been reduced to a point much lower than it has been for years there is almost no sale outside of the city of Chungking although the trade at this time of the year is normally very brisk. As an indication of the scarcity of Standard oil in the interior it may be stated that it sells at the present time for about $7.50 per case at Chengtu while the price at Chungking is only a little more than $4.

The money situation is practically unchanged. This province, like most others, issued a large amount of "wildcat currency" and the usual unfortunate results have followed. Obedient to Mr. Gresham's dictum, the good silver money has tended to disappear and the depreciated notes are much too plentiful. The provincial authorities have attempted to maintain the value of the latter by artificial means but without much success. It was first decreed that paper notes should exchange at an even rate with the silver dollar but since the paper money was not secured by any reserve this law had practically no effect in spite of several executions which it was hoped would have a sufficiently intimidating effect upon the public. It was therefore decided that paper notes should pass for a thousand cash, the silver dollar being worth about thirteen hundred. Even this ratio, however, could not be maintained and the paper dollar is only worth to-day about seventy cents or a little over nine hundred cash. Various attempts have been made to borrow foreign capital with which to redeem this currency and although a French loan was concluded by the provincial government it failed to be ratified by Peking. The present financial situation is therefore almost hopeless and prospects for business are correspondingly poor.

The state of unsettled authority still continues. The control of the central government over this province is not very strong at the present time and the control which is exercised by the provincial authorities at Chengtu is somewhat limited. There is a general feeling of instability. There are constant rumors that the Tutuh and other officials will soon be changed but the reports seem to be neither confirmed nor denied. Although the Kuo Ming Tang has been dissolved, the Ke-lao-hui, which has also been strongly interdicted by the Peking government, continues to flourish in Szechuan. I doubt very much if the members of the latter society could be dispersed for they are exceedingly powerful and include a large number of the soldiers. The Ke-lao-hui could not be disbanded without the aid of an army and in this province this would almost amount to the troops dissolving themselves - an almost impossible feat. Some of the secret societies which have remained dormant for the past few years are beginning to reassert themselves. Thirty or forty miles to the north of Chengtu the old-time Boxers are somewhat active although they do not number more than a few hundred and do not have a very great influence. The Red Lantern Society, another organization which has been anti-foreign, is again coming to the front in the vicinity of Chung Chow, about half way between here and Wanhsien on the Yangtze River. The members seized a small town in that neighborhood but were finally driven out. A large band of robbers fought with some regular troops at Chi-chiang, just south of Chungking and the latter were badly defeated. As the region about Chi-chiang has always been infested with robbers this event may not be of any special significance. These various developments, however, show that the authority in this province is still very unsettled and that official control is somewhat weak, and these factors are a distinct menace to the welfare and security of both Chinese and foreigners.

While the present outlook cannot be said to be highly encouraging it is not without its hopeful signs. There has been almost no manifestation of an anti-foreign feeling. Both the officials and common people treat foreigners with remarkable consideration except insofar as general litigation is concerned. The officials for the most part are very reluctant about granting to foreigners the rights which they have under treaty. In this regard the feeling is decidedly reactionary but is not without its justification. As foreigners have seized upon the most valuable waterfronts and land which the Chinese will want later for their railways and other public enterprises there is some fear that the rights which foreigners are constantly obtaining are inimical to the real interests of China. It is therefore a case of "China for the Chinese" rather than any malicious or unfriendly feeling on the part of the officials. The fact that Chinese are nearly always anxious to travel in company with foreigners indicates to some extent the general trend of public opinion. In spite of the great danger of traveling, foreigners seem to be more or less immune from attack. They frequently run across bands of robbers but are treated by them with either indifference or open friendliness. While, therefore, I continue to warn Americans against traveling at this time, they have no idea of desisting although they themselves are fully alive to the danger and will doubtless continue to itinerate until some untoward event takes place. They are like the people who persist in skating on thin ice until some unfortunate victim falls through.

I have the honor to be, Sir,

Your obedient servant,

E. Carleton Baker,

800

American Consul.

LS 71 R

Sub. Thibetan situation
Recd. 4 - APR 1914
Ans.
Ref.
A.s.

AMERICAN CONSULATE.

No. 82. Chungking, China., March 21, 1914.

Subject: A Brief Exposition of the Thibetan Situation.

Honorable Paul S. Reinsch,
Envoy Etraordinary and
Minister Plenipotentiary.
Peking, China.

800

Sir:-

I have the honor to enclose herewith a copy of my despatch of March 16th, to the Department with regard to subject above mentioned.

I have the honor to be,
Sir,
Your obedient servant,
E. Carleton Baker,
Consul.

Enclosure: As above.

800.

DUPLICATE

84.

Chungking, China, March 16, 1914.

A Brief Exposition of the Thibetan Situation.

As the greater part of Thibet is included in the Chungking Consular District, and the reports from here in this regard have thus far been more or less fragmentary and incomplete, dealing only as occasion required with special phases of this question, and since the matter is of considerable importance at the present time, I have the honor to submit the following brief but general exposition of the subject.

The Thibetan question is most complex for there are many factors involved - racial, political, commercial and historical. The Mongols in the 13th century A. D. during the reign of Kublai Khan, the founder of the Mongol dynasty in China controlled an enormous territory extending almost as far west as the Caspian Sea and south about as far as Singapore. The authority of the Mongols over the remoter districts such as Burmah, Bhutan, Thibet and Tongking lasted only for a short time, and the Chinese Dynasty which came into power in 1368 failed except for short periods now and then to exercise control over these regions. It was not until the Manchus came into power g the first half of the 17th century that a serious at- y was made to assert the Mongol claims. The Chinese Dynas- used very little military force in retaining its authority Thibet for it was thought that Thibet would gradually absorbed by China in a more or less peaceful manner. ute, however, was exacted and paid, but it is probable that tribute was given more to prevent actual interference on part of the Chinese than as a proof of complete subjection. was found by the Chinese that this policy of non-interference not tend to strengthen the hold of China upon Thibet but tended rather in the opposite direction, for the Dalai Lama Lhasa sought with much success to bring the Thibetans under his sway. His religious influence was much greater than the political influence of China and the conflict of these two forces created a somewhat anomalous situation which continued even throughout the Manchu dynasty. Under these circumstances, therefore, the most that China could do was to exercise over Thibet a sort of suzerain power.

The geographical position of Thibet is such that Great Britain and Russia could not help being interested in its development both politically and commercially. It appeared to Great Britain that Russia was trying to extend her influence in the direction of India and that she might include the absorption of Thibet in this general program. Russia, on the other hand, was equally anxious to keep Thibet free from any undue influence on the part of Great Britain. These two powers with China finally agreed to maintain Thibet as a sort of buffer state and to allow China to retain her suzerain powers therein. The principal idea was to prevent any conflict of European influences within the Thibetan border. The encroachment of Great Britain and Russia upon Thibet from opposite directions would have created a situation similar to that which exists

Russia to-day and the various powers concerned considered that this would be undesirable from every standpoint. The chief reason why all foreigners are prevented from entering Thibet lies in the fact that serious complications would result if foreigners of any nationality should begin to penetrate that country. China, Great Britain and Russia have united therefore to maintain the status quo.

Although China undertook to exercise her powers of suzerainty over Thibet and to protect British and Russian interests along the borders of that country she failed in certain respects to carry out her obligation successfully. Thibetans seized British subjects on the Indian frontier and kept them as slaves in Thibet. China not only was unable to rescue these Indian slaves but was unable even to prevent her own people being thus held by the Thibetans. In this and in other ways her control was too weak to be of very practical use. It was China's failure to properly exercise her suzerain power that caused Great Britain to send her own expedition to Lhasa in the year 1905.

The Thibetans have very little idea as to the way in which relations between different states should be maintained. They refuse, in fact, to recognise any obligations in this matter. As China admitted her inability to control the Thibetans along the Indian border, Great Britain was forced to send the expedition above referred to. The result of this expedition was to confirm the suzerain rights of China and to give greater support to the Chinese Residents at Lhasa who were to be held responsible for the Thibetans fulfilling their ~~proper~~ obligations. China since about 1750 had maintained official Residents at Lhasa but their authority had been more or less nominal.

The arrangement made by the British expedition continued with fair success until the recent rebellion of the Chinese against the Manchu dynasty. The Thibetans took advantage of this occasion to assert their independence and drove the Chinese troops from Lhasa and attacked the Chinese garrisons on the western borders of Szechuan. It appeared for a time that the Thibetans would even invade this province and a Chinese expedition was accordingly sent against them not only to check their advance but to recover the territory which they had taken. It should be stated, however, that much of this territory was only retaken by the Thibetans, for Chao Erh-feng in 1908 had driven the Thibetans back to the extreme border of their own country and had occupied cities which they formerly held. Information with regard to the recent Chinese expedition and the situation with regard to Great Britain which arose therefrom is contained in my reports to the Legation dated July 24th, September 9th, September 10th, September 20th, and November 1st, 1912, also February 18th and April 10th, 1913.[x] This expedition did not succeed in recovering the territory which was lost and Chinese authority at Lhasa has not yet been restored.

The claim which the new Chinese republic made to sovereignty over Thibet caused England to strongly protest. China attempted to create a new province out of the independent border states adjoining Szechuan and Eastern Thibet and to make it a part of China proper. England objected on the ground that China had only suzerain power and could not assume the full rights of sovereignty. China receded from her position to a certain extent, partly out of deference to the wishes of England, partly from a lack of funds with which to carry on her Thibetan expedition, and partly through the failure of her troops to completely subdue the Thibetans on the border. Owing to the confusion which therefore exists and to the need of an early settlement of this vexatious question, the British, Chinese and Thibetan authorities have agreed to hold a conference in India so that all phases of the matter may be discussed and some adjustment made which will be fair to all of the parties concerned. This conference is now sitting, but a decision is expected before next month. China, however, has failed to make good her claims even of suzerainty and has no effective control beyond her present borders she is not in a position at the present time to demand very favorable terms.

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[x] Copies also sent to the Department.

I have the honor to be, Sir,

Your obedient servant,

E. Carleton Baker,

American Consul.

800.

Copy for the Legation, Peking.

AMERICAN CONSULATE,

Amoy, China, April 5, 1914.

Political conditions in Amoy

Sch. .... 1914 .... Recd 19 APR 1914

SUBJECT: **POLITICAL CONDITIONS IN AMOY.**
CONFIDENTIAL.

The Honorable
The Secretary of State,
Washington.

800

Sir:

I have the honor to inform the Department that on March 18, 1914, Mr. Liu Kuan Hsiung (劉冠雄) minister of the Chinese navy arrived in Amoy on board the Chinese gunboat "Hai Jung" (海容) after completing his work in connection with the disbanding of troops in Canton. An effort was made to keep his presence here a secret and it was stated in the Foochow papers that he was supposed to be in that city. During his entire stay in Amoy he did not come ashore but conducted his business either on board the "Hai Jung" or the Admiral's yacht "Lien Ching" (聯鯨) which was anchored in the inner harbour between Amoy and Kulangsu. It is locally believed that had he come ashore he would have been assassinated.

One of his first acts was to order the execution of Chu Lao Wu (朱老五) alias Chu Jung Sheng (朱潤生) a sergeant of the Hu-nan troops (湖南勇) formefly stationed in Amoy. The charge against him was that about a month ago he was instructed to take one hundred and twenty-five disbanded Hu-nan (湖南) soldiers to

Shanghai and was entrusted with a despatch to the Commanding Officer there which provided for the disposal of the soldiers. It is claimed that he failed to deliver the despatch and allowed the soldiers to pass through Shanghai and it is presumed that they joined the "White Wolf" (白狼) in Hu-nan Province. It is also claimed that he is the head of the Ko Lao Hui (哥老會) Secret Society in Amoy. This Society was founded about fifty years ago by General Tso Chung T'ang (左宗棠) of Taiping Rebellion fame. The General was a native of Hu-nan and at that time Hu-nan soldiers were scattered throughout the various provinces and the object of the Society was to take care of sick Hu-nan soldiers and bury their dead. This Society is supposed to have spread over the entire country, and to be very powerful and lately it is claimed to have exercised political influence. Upon the arrest of the sergeant his papers were searched and a book was found containing a list of members of the Ko Lao Hui (哥老會) Society with the name of Commander Li Hsin T'ien (李心田) of Amoy as leader. The sergeant was seized at mid-night on April 1st and was shot in the vicinity of the Tao-t'ai's yamen without trial.

Commander Li Hsin T'ien (李心田) above referred to was formerly stationed at Chao An (詔安) near Swatow but was transferred to Amoy in April 1913 and placed in command of all the troops in this City. As these were all Hu-nan soldiers they were being disbanded, their places having been taken by northern soldiers as reported in my despatch of February 6th 1914, subject "Troops in Amoy Consular District", and he was relieved of his duties about two weeks ago. On the day after the execution of the sergeant, Li called a meeting of the Hu-nan soldiers and at the same time sent a letter to the Ssu Ming Hsien (思明縣) (Magistrate) stating that the meeting had nothing to do with the execution of the sergeant but it was believed that he was planning trouble. For sometime past a charge has been pending against him. It is claimed that during the secession of Fukien Province during the Summer of 1913 that he issued orders to the Forts to fire upon any Chinese warships that might enter the harbor, but the order was never executed as the then Nan Lu Kuan Ch'a Shih (南路觀察使) (Tao-t'ai) (道台) and Ssu Ming Hsien(思明縣)(Magistrate) interceded and the order was withdrawn, but the matter was reported to Peking.

In order to separate him from his soldiers he was invited to a luncheon party by the Ssu Ming Hsien (思明縣) (Magistrate) and Commander T'ang Kuo Mo (唐國謨) the Commander of the northern troops now stationed here, at the Commander's quarters. Suspecting nothing, he went to the luncheon in his chair accompanied by four soldiers and two servants only, and while seated at the luncheon table the order of the Minister of the Navy was shown to him and he learned that he was to be executed immediately without trial. He is reported to have knelt before the Ssu Ming Hsien (思明縣) (Magistrate) begging for a fair trial, but the Magistrate replied that if he were to save him, he would be lost himself. Commander T'ang(唐) then ordered LI (李) bound and he was taken to a hill in the Yamen garden and shot twice through the head with a revolver. This occured about 2 p.m. on April 2nd 1914.

Upon hearing of Mr. Li's (李) execution, the disbanded Hu-nan (湖南) troops fled. The report is current that about thirty more Hu-nan men are wanted and search is being made for them. In this connection two men were arrested in the Chinese theatre but it was found that they were not the men wanted and they were released.

The former Commander of the troops at Chuan Chow(泉州) Mo K'ai Liang (莫開亮) who was also active in the secession of Fukien Province and who was a member of the same Society as Mr. Li (李) upon hearing of the latter's execution, disappeared.

The Minister of the Navy departed on the "Hai Jung" on April 3rd having left orders to arrest all Hu-nan men who were associated with the late Commander and sergeant.

Public opinion is divided in regard to the effect of these executions. While some believe that it will guarantee order in the south Fukien Province, it is generally conceded that the method of carrying out the orders of the Minister of the Navy was most unfortunate and the fact that the men were executed without a trial has undoubtedly had a bad effect.

General Huang Pei Sung (黄培松) who is credited with superintending the execution of revolutionists in Canton in 1911, is now living in the International Settlement of Kulangsu, Amoy. Last year he was made Lieutenant-Commander of Fukien Province, but spent most of his time in South Fukien Province suppressing clan fights, but some months after his appointment his office was abolished. He was then offered the post of Ssu Lin Kuan (司令官) of Amoy, which was much lower than his former post and this he declined to accept. As a compromise he was appointed Tsung Ssu Lin (總司令) of south Fukien Province which office he accepted, and has occupied until recently only to find that his new post was abolished. The Peking authorities are apparently anxious to have him go to Peking and he has been requested to accept some office there, but he evidently anticipates his execution should he accept and has therefore declined the offer of the Peking authorities on the ground that he has important business which will require him to travel in foreign countries for some time.

The Chinese Custom House at Amoy have issued the following notification:-

> "The public is hereby notified that the importation of small Chinese silver coins into Amoy is prohibited."

The right of the local authorities to prohibit importation of silver coin which is current throughout the Republic is seriously questioned, but as foreign firms are not much interested in the subject, no serious protest has been made, and as the Chinese provincial officials originated the plan, the Chinese merchants have no redress. It is not believed that the restriction on importation will seriously effect the present comparative value between the large silver dollars and the small silver coins. The reason for the prohibition seems to be twofold :-

__First:__ Salt taxes which are paid locally in small silver coin must be forwarded to Peking in dollars and as the difference is about 10%, it means a serious loss to the Revenues.

__Second:__ The restriction of importation of small silver coins will give the Provincial Mint a larger profit as there will then be a greater demand for the small coins minted in Foochow.

The importation of 10 and 20 cent pieces in 1913 compared with 1912 shows a considerable increase during the latter year as will be noted in the following table:-

	1912 Number	1913 Number	1913 Increase
10 cent pieces	3,704,040	4,694,000	989,960
20 cent pieces	4,993,370	13,035,889	8,042,519

I have the honor to be,
Sir,
Your obedient servant,

Lester Maynard
AMERICAN CONSUL.

800

true copy of
signed orig-
al.
MH.

L. No. 685.

Political Situation
Hupei

Sub.
Recd. 10 MAY 1914
Ack.
Ans.
Ref.
Acs.

AMERICAN CONSULATE GENERAL,
Hankow, China, May 8, 1914.

Subject: Political Situation - Hupei.

Paul S. Reinsch, Esquire,
American Envoy Extraordinary
and Minister Plenipotentiary,
Peking.

800

Sir:

I have the honor to report the continued unrest in this Province during the last three weeks. Conditions seem to be becoming more unsettled rather than more quiet. Reports from the interior show a state of anarchy and disorder such as has not existed in this Province since the Revolution of 1911.

The Wuchang Conspiracy.

On April 30, 1914 a wide spread conspiracy was discovered and crushed in Wuchang. The officials naturally endeavored to keep the affair as quiet as possible, but considerable information has leaked out.

The conspirators were said to have a large organization extending throughout China - the object being the overthrown of Yuan Shih k'ai. Their pass word was the Chinese character Mai, (買), to purchase, when divided into its component parts is (四 月 八) (four, month, eight), the idea being that the uprising was to take place on the eighth day of the 4th month, Chinese calendar, (May 2nd last).

On April 30th through carelessness in trusting an unreliable member with the records, the conspiracy was devulged and many of those connected with the plot were arrested and summarily executed including the informant. Just how wide-spread this conspiracy was it is difficult to ascertain.

Rumors.

It is remored that all the provinces were involved under the leadership of the men who rebelled in 1913 with the addition of White Wolf. Forty thousand soldiers were said to have enrolled themselves among the conspirators. The chief of this conspiracy who is said by some to be Li Lieh Chun and by others to be Chen Chi Mei is remored to have arrived in Kiukiang in disguise on April 30th, his intention being to reach Hankow on the night when the uprising was scheduled to take place. Hankow was to be the head-quarters of this third revolutionary army; other centers to rise simultaneously were Shaohsing, Chekiang and Canton, Kuangtung. It is reported that the leader made a hasty departure from Kiukiang for Japan on receipt of the news of the discovery of the plot by the authorities.

These sound like wild remors, and doubtless many are without any foundation, but this much is true - that a plot of considerable size was discovered and crushed.

The Chinese merchants in this centre are greatly relieved at the suppression of this conspiracy and feel more secure in carrying on their business that they have for some weeks past. Their opinion seems to be that it is only temporary, but that the rebels have received such a set back that at least two months must elapse before another conspiracy on a large scale can be perfected. That a rebellion must break out before long is however the general opinion.

General Conditions.

With brigands playing havoc in Shensi, Kansu and the northwest and local robbers infesting Honan and north Hupei, conditions do not seem promising. A party of missionaries from Tsaoyang and the surrounding country have recently arrived in Hankow. They reported that conditions were impossible for the doing of satisfactory work. The fact that the "White Wolf" brigands could capture and mistreat foreigners, and no retribution be meeted out to them by the foreign Governments, has entirely changed the attitude of the natives in the interior toward the white man.

When a foreigner is robbed or attacked now by robbers or brigands - there may be an indemnity paid by the Chinese Government, but what does the robber or brigand suffer for his misdeeds? He not only does not suffer, but even profits by the loot he is able to steal. Moreover, as most of the country people in this consular district are opposed to Yuan Shih K'ai, these men, if they think at all, are very glad to make President Yuan's Government pay indemnities, or involve it in international difficulties of any kind.

The result of this feeling is an antagonistic attitude on the part of the natives in the interior to the foreigners generally. Missionaries report that there is a new, lawless, careless spirit among the people, which is very marked. The respect for foreigners engendered in Chinese minds by the example made in 1900 is fast being forgotten. Roughness and rudeness, toward missionaries in the interior of this Province are no longer unusual occurrences. To express the effect of Hupei political conditions on the missionaries as given to me by several of them, the continued robberies, alarms, rudeness, foul language and carelessness of the Chinese to the loss of human life are "getting on our nerves".

I enclose herewith newspaper clippings in reference to recent disturbances at Anlu, Hupei. The German engineers engaged in surveying work there were obliged to cease work and remain inside the town on account of the danger of an outbreak from the disbanded soldiers. A band of these men attacked some of the engineers (Chinese) about forty miles from Anlu. After this attack and another to the north of Anlu, the native authorities informed the foreigners, that they could not guarantee protection outside of Anlu. Therefore the Germans retired into the city. The British gunboat "Woodlark" proceeded to Anlu and remained there ready to take off all foreigners in case of necessity. Conditions seem now to have quieted down, but it is interesting to note that flags captured from the disbanded soldiers are inscribed with words "Republic of China, President and Field Marshal, White Wolf".

The enclosed clippings seem to give the impression that the scare was more or less of a false alarm, but the unsettled conditions in the Anlu district cannot be denied.

I understand that the British gunboat "Woodlark" is proceeding up the Han River and expects to reach Laohokow.

I have the honor to be, Sir,

Your obedient servant,

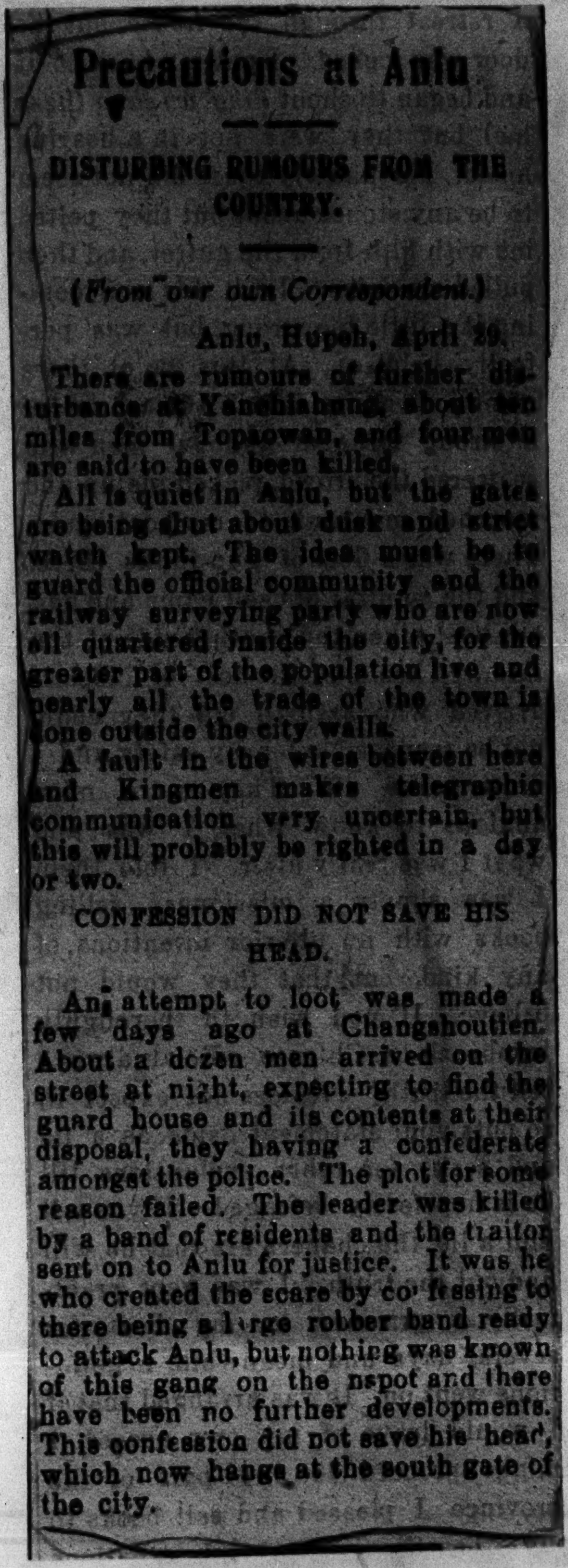
J. Paul Jameson

American Vice Consul General
in Charge.

Enclosure as stated.

ENCLOSURE WITH DESPATCH NO. 685 OF APRIL 8, 1914, FROM

HANKOW, CHINA.



Precautions at Anlu

DISTURBING RUMOURS FROM THE COUNTRY.

(From our own Correspondent.)

Anlu, Hupeh, April 29.

There are rumours of further disturbance at Yanchiahung, about ten miles from Topaowan, and four men are said to have been killed.

All is quiet in Anlu, but the gates are being shut about dusk and strict watch kept. The idea must be to guard the official community and the railway surveying party who are now all quartered inside the city, for the greater part of the population live and nearly all the trade of the town is done outside the city walls.

A fault in the wires between here and Kingmen makes telegraphic communication very uncertain, but this will probably be righted in a day or two.

CONFESSION DID NOT SAVE HIS HEAD.

An attempt to loot was made a few days ago at Changshoutien. About a dozen men arrived on the street at night, expecting to find the guard house and its contents at their disposal, they having a confederate amongst the police. The plot for some reason failed. The leader was killed by a band of residents and the traitor sent on to Anlu for justice. It was he who created the scare by confessing to there being a large robber band ready to attack Anlu, but nothing was known of this gang on the nspot and there have been no further developments. This confession did not save his head, which now hangs at the south gate of the city.

ENCLOSURE WITH DESPATCH NO. 665 OF APRIL 8, 1914, FROM
HANKOW, CHINA.

The Scare at Anlu.

NO SERIOUS TROUBLE EXPECTED.

EVIDENCE OF SUSPECTS IS NOT RELIABLE.

(From our own Correspondent.)

Anlu, Hupeh, April 24.

We rubbed our eyes when the "Post" of the 22nd came to had this morning saw in large print "Outbreak feared at Anlu", "Menace of disbanded troops," etc. and came to the conclusion that whoever was the writer was a newcomer in Anlu. Old residents like ourselves have got used to this kind of wild talk, for nothing seems to ever come out of it. As reported in an earlier issue a railway party was attacked amongst the hills about thirty five miles north of Anlu and two Chinese killed. The reason for this given by the Chinese themselves was that suspicion was aroused by the wide area over which the survey was being taken, and perhaps by a little more care on the part of the local authorities in the way of explanation this disaster would have been avoided.

The district forty miles south of Anlu, where the "White Wolf" band is supposed to be, is at the junction of thre counties and has always been noted for its lawlessness and bands of desperadoes. From this quarter in the early days of the Revolution Liu Yin, the noted ally of Chi Yu-lin, recruited his ten thousand braves. Robbers many of them were then, and, now that they are "disbanded soldiers", they are robbers still. "Peh Lang" (White Wolf) is a name to conjure with. The sight or even report or a flag with the character "beh" incribed on it would be sufficient to depopulate the districts of its lawful inhabitants and have their possessions in the hands of the robbers. Unfortunately a score or so of the soldiers guarding the railway surveying party met these desperadoes out on one of their [illegible] cursions and their leader was [illegible] Fortunately this man [illegible] ordinary citizen and so [illegible] creates a sensation, whereas in [illegible] case little or no notice is [illegible] such an ord'nary event.

The evidence extracted from suspects refered to by your correspondent raises the whole question of the value of such information and the means adopted to gain it. To say the least it ought to be suspected [illegible] none is forthcoming, the memory of these poor beggars—perhaps inno[illegible] perhaps not—is helped in divers [illegible] with which yamen runners are [illegible] too familiar. Some rousing terror[illegible] yarn would probably save [illegible] suspect's skin. In short it pays [illegible] suspect better to supply information of some sort. To keep quiet is [illegible] suffer.

The scare of the last few days has been almost altogether owing to this so-called "evidence of suspects." The action of the railway authorities [illegible] hurriedly procuring boats and ordering the various members of the party, numbering several hundred, at great inconvience to embark at very little notice naturally intensified the excitement. The presence of H. M. S. Woodlark all seemed to [illegible] in. Re[illegible] port said that it had come to take down the foreigners, while all the while it was hoping to proceed further north towards Laohokow.

The missionaries of the Wesleyan Mission—four in number—live outside the walls. They have neither entered the city nor called a boat, neither has the thought of doing so ever crossed their mind. They go about their daily avocation as usual. Numbers of patients, both men and women, and children, come to the two dispensaries daily, and in the wards of the two hospitals there is quite a number of in-patients.

That there has been no possibility or even probability of danger from a robber band at Anlu it would be foolish to say. It is not far from the fact to say that in the vicintity, especially outside a radius of thirty miles south, the inhabitants of the neighbourhood always have to be on the *quivive*. But a distance of thirty miles makes all the difference in local outbreaks.

With regard to the attacks on the railway party it is worthy of note that in both cases it is Chinese and not foreigners who have been killed. Information gathered from the natives leads one to believe that against the railway as such there is little or no opposition. The manner of carrying out instructions rather than the thing itself seems to create the opposition.

So little do we anticipate danger that one of our number, accompanied only by his boy as guard, has started into the region supposed to be infested by the "White Wolf" troops. He is anticipating spending ten days in the neighbourhood of Topaowan.

Chinese working with foreigners especially when fortified with government credentials too often forget the "*suaviter in modo*" so necessary in dealing with their fellow countrymen. Villagers look on trampled down cornfields and have visions of dismantled graves and ruined homes. Some of them have had previous experience of valuable land dug up to make embankments without a farthing compensation. It is not be wondered at that they object and sometimes resort to violence. What other means of redress have they? If rumour be true, women in the country have not been respected by some of the Chinese. One mistake seems to have been to import scores of men from Shantung to do work that could just as easily have been done by local men. A little financial benefit out of a scheme goes a long way towards reconciling any objections that might otherwise be raised against it. With nothing to gain and everything to lose by the presence of so many foreigners, who are known to have a large amount of money with them, is it any wonder that the official too makes the most of a little scare to get rid of his unwelcome visitors?

Railway construction in China will for many years to come be carried out under great difficulties. The German party here seem to have realised this and anticipated objections, but that they have not been altogether seconded either in conversation or action by some of their Chinese helpers is also a fact, evidence of which was forthcoming in a conversation between a local gentleman and two students engaged on the railway during which the writer was present. They adversely criticised the methods of the foreigners especially with regard to the width of the survey, and with becoming modesty stated that they knew better than make such mistakes themselves. Such criticism does not help to allay suspicion or increase the confidence of the people in the enterprise.

Bank of China Loan
Domestic Bonds
Life Insurance Company
Railway Construction
Standard Oil
Japan.

Peking,

No. 218

May 11, 1914.

800

The Honorable,

The Secretary of State,

Washington, D. C.

Sir:

I have the honor to report that on May 4th I had a long conversation with His Excellency Mr. Chou Tzu-ch'i, the Minister of Finance, and Mr. Liang Shih-yi, the Private Secretary of the President. The influence of the latter is considered to be unabated, notwithstanding the abolition of the post of Executive Secretary of the President which he formerly occupied. It has been given out that Mr. Liang will continue to act as Private Secretary of the President and, having refused the post of Minister of Communications, will act, also, as Controller-General of the Revenue Council.

Among the subjects informally discussed during the conference, the following were the principal ones:

Bank of China Loan Proposal:

Upon inquiring whether there was any likelihood that eventually the Bank of China might be included in the supplementary Five Power Loan, I was assured that such was not the intention of the Government: the proceeds of the Five Power Loan might be used partially for the establishment of a silver currency; but the control requirements of the Five Powers were such that the Government did not desire to include the Bank of China in the arrangement, and it would continue to make an effort to raise a separate loan for the complete establishment of the Bank of China and the support of its national bank-note currency. As the project was considered very attractive by all the Powers, it would be necessary for the capitalists of the United States to act quickly if they desired to secure this loan, which is of central importance.

Domestic Bonds:

For some time past there has been under discussion a project by which domestic bonds of China might be made attractive to Chinese investors, in order that the Government might be enabled to utilise the accumulated savings of wealthy Chinese, which are largely lying idle either in hoards or in the foreign banks, for the support of the national credit. I was assured that the Government is anxious to have the International Banking Corporation and the Chartered Bank of India, Australia and China act as the agents of the Government for the issuance of these bonds, and that the Government was ready to assign specific securities and to give the banks such auditing facilities as would enable them to back the issue as underwriters and as would be a guarantee of the good faith of the Government over against the holders. It is well known that could the idle funds held by Chinese be attracted into Chinese public investments the Government would readily become independent of foreign loans and would secure the funds necessary for the improvement of the administration and for remunerative public works.

Sino-American Life Insurance Company:

In line with the above policy of basing Chinese public credit not on foreign, but on domestic loans, I made the suggestion that it might be feasible to form an insurance company, organised under the laws of an American commonwealth, half of the stock of which would be open to subscription by Chinese, and the control and management of which would be conducted according to the safest and most approved principles of life insurance practice. Such a company could make an alliance with the Chinese Government to the extent of investing all or a large part of its funds in Chinese Government bonds, properly secured through specific pledges and effective auditing methods; and, building up a Chinese selling agency organization, carrying the prestige and guarantee of American insurance methods, it would be in a position to do a large business in China, would afford safety and would enable the Chinese Government to secure financial support at home. This suggestion was very favorably

ably received by Their Excellencies, and I was assured that if such a company could be organized the Government would lend its full support and cooperation and that it would make the necessary arrangements with respect to security and auditing.

International Railway Construction Plan.

With respect to the subject of an international railway construction syndicate, reported upon in my despatch No. 193, of April 14th, Their Excellencies confirmed the information that the success of the plan in Europe was assured. They stated that they very greatly desired American participation, but could not hold open the opportunity long, because of the danger that the project should become known before its consummation, with the result that powerful pressure would be brought upon the Chinese Government to keep it from adopting this system, so necessary and advantageous from the point of view of its own railway development and national independence.

Standard Oil Contract:

As the experts have determined that oil does not exist in sufficient quantities in the Jehol region, Their Excellencies urged that the Shensi fields should be immediately investigated, in order that the contract might be consummated and a great many possible difficulties and complications avoided. I stated that it was the intention of the Company to proceed immediately with the investigation of the Shensi fields, in which undoubtedly oil exists in considerable quantities, so that even now the probability is strong that the development of these fields will be taken up by the Company. But I also stated that, having practically given up the Jehol fields, the Company would now desire immediately to investigate some other province, to be substituted for Chihli, under the contract. Their Excellencies stated that it was very necessary for the Company to utilise the short time provided under the contract as, at the expiration of the year, great pressure would be brought to bear on the Government by other interests to grant concessions. Of course, even at present these interests are making the strongest preparations for gaining a foothold.

Japan:

Their Excellencies brought up the relations between Japan and the United States, and expressed that it was the universal belief among high Chinese officials that Japan was preparing for an eventual conflict with the United States. They made the statement that the Japanese Government had contracted for one million tons of steam coal with the Kailan Mining Company, to be delivered during the next twelve months. They also spoke of the purchase of a large number of transports. They stated that just at present Japan is not pressing for further extensions of the Manchurian railways.

I may state that I have not been able to get a confirmation of the reported coal order, but have given the information to the Naval Attaché, Lieutenant-Commander L. A. Cotten, for his use.

Throughout the conversation these two officials, who, at the present time, hold the highest financial power in China, assured me of their desire to have American financial participation, both because American support was non-political and would take the place of support inspired by political motives not friendly to Chinese independence; and because, through financial participation in the development of Chinese credit, public works and industry, the influence of the United States in Chinese affairs would be strengthened. They stated that it was natural that China, in her present condition, could not avoid the influence of those Powers which took a hand in her financial development, but that they would prefer to have American influence strong because that would not conflict with the aspirations and national rights of China.

While this conversation was entirely informal, being incidental to a social visit, I have reported it to you as indicating the attitude held by prominent Chinese officials on American participation in the development of China.

I have the honor to be, Sir,

Your obedient servant,

PAUL S. REINSCH.

800.

A true copy of
the signed original.

Mr. Rockhill
"Present situation in China"

Sub.
Recd. 17 MAY 1914
Ack.
Ans.
Ref.

AMERICAN CONSULATE GENERAL

No. 86 Shanghai, China. May 14, 1914.

__Confidential__

Subject: "The Present Situation in China,"---Mr. Rockhill, Retained on Behalf of President Yuan Shih Kai, Expresses Optimistic Views in Support of the Chinese Government.

800

The Honorable Paul S. Reinsch,
American Minister,
Peking.

Sir:

While avoiding, as a rule, despatches and reports regarding "The Present Situation in China," I feel that I should make a brief statement, at this time, relative thereto and in connection with the retention of the former Minister to China, and subsequently Ambassador to Russia, and now the retiring Ambassador to Turkey, the Honorable W. W. Rockhill. As the Legation is aware, Mr. Rockhill has, since coming to this part of China, publicly expressed ultra-optimistic views regarding the present situation which, from the abnormal condition of trade here, is apparently growing more and more critical. While foreign goods continue to be received in about the usual volume, there is practically a standstill in the matter of marketing the same in the interior, resulting, it is believed, from unsettled conditions,---the movements of White Wolf, etc.

Mr. Rockhill disposes of the strained commercial situation by stating, as he did to me personally, that it may be attributed to bad business methods on the part of foreign merchants. Obviously, this conclusion is not accepted by the average business man.

Upon Mr. Rockhill's arrival here I stated to him that, owing to the recent revolutions, those natives and foreigners who did not accept the present administration of President Yuan Shih Kai, were inclined to express themselves in a seditious manner. I stated that I was endeavoring, in an official sense, and in a quiet and unobtrusive way, to avoid participation of Americans in any movement or discussion which was in opposition to the constituted authorities. Mr. Rockhill commended this attitude.

Subsequently, at the annual dinner of the American University Club, Mr. Rockhill made a statement which he had carefully prepared in advance, which called attention to former conditions in Turkey and Russia and urging a policy of conservatism in adjusting affairs in this country. I enclose Mr. Rockhill's statement and may add, in passing, that while I was requested to make a statement at the University Club dinner regarding the prevailing conditions in China, I deemed it prudent to avoid such procedure, this being in accordance with my attitude on other occasions of this nature.

The speaker who followed Mr. Rockhill was the British Crown Advocate, H. P. Wilkinson, Esquire. He stated, at the outset, in a quiet voice which was not heard by all of those present, that following the "handing down of the learned Rescript" by Mr. Rockhill he would not venture to discuss politics. He continued by making a witty speech on various subjects.

Subsequently, in a friendly chat with Mr. Wilkinson, I mentioned his reference to the "Rescript" and endeavored, in a casual way, to ascertain why he had spoken as he did. He stated that the newspapers, sometime ago, had referred to Mr. Rockhill as having been engaged by the Chinese Government in support of the present administration. I called his attention to the fact that Mr. Rockhill had denied this statement, but Mr. Wilkinson indicated that it was apparent that Mr. Rockhill was not indifferent to the success of the Chinese Government. This conclusion seemed to be based somewhat upon the nature of Mr. Rockhill's typewritten speech at the University Club banquet, and which the Crown Advocate had referred to as a "Rescript."

At a subsequent meeting, I called Mr. Rockhill's attention to my conversation with Mr. Wilkinson, and this resulted, ultimately, in Mr. Rockhill stating to me that, while he had not been engaged by the Chinese Government, he had yielded to President Yuan Shih Kai's urgent desire for assistance in his difficult task of re-organizing the Chinese Government on a firm foundation. He stated, however, that this was purely a personal matter between himself and President Yuan Shih Kai, and that he had declined to remain in China in connection with such services as he rendered, and that he had come to terms with President Yuan whereby a retainer had been arranged, and whereby certain expenses were to be paid. He stated that he did not deem it necessary for him to explain this arrangement to the public generally or to newspaper reporters, but that his position was well understood by our Legation at Peking. Mr. Rockhill stated, also, that the nature of such assistance as he might render under such circumstances would be in accordance with his own judgment and that he was to receive no orders as to his procedure.

With a view to avoiding participation in, or encouragement of, movements that may arouse political discussions or political intrigue, I have deemed it prudent not to participate in a number of functions to which I have been invited since arriving and taking over charge at this post, and I had to express my regrets to the managers of the Saturday Club who arranged for a luncheon party yesterday at which, it was publicly announced, Mr. Rockhill would make a speech on "The Present Situation in China." Mr. Rockhill had assured me in advance, however, that he would confine himself to two points, viz, with reference to Chinese finances and with reference to securing capable Chinese officials. He confined his remarks largely as stated, but took occasion to express a dissenting view regarding the recent statements of Mr. J. O. P. Bland, with reference to the possible partition of China and the incapacity of China to undertake self-government, etc. Mr. Rockhill expressed the ultra-optimistic view that China is not in a bankrupt condition and that, by the utilization of its own financial resources, it should be able to adjust its affairs, etc.

The public expression of views of this nature by Americans or other foreigners naturally results in counter declarations by those who hold contrary opinions and, for that reason, I have given serious thought and consideration, together with discreet action, to the end that Americans may, as far as possible, avoid controversial discussions of a political or seditious nature.

I find, of course, as a rule, that those participating in the luncheon party yesterday look upon Mr. Rockhill as a disinterested champion of the prevailing Chinese governmental administration. His views, as heretofore expressed, both on the platform and in the newspapers, are generally accepted in that sense.

I have found that, prior to my taking over charge here, some of the Saturday Club speakers had freely discussed political conditions in China. Some of the speakers referred to were actively opposed to the constituted authorities and are numbered with what are called the rebel leaders, a number of whom are now refugees in Japan. On the other hand, I found Americans expressing, in public, their views regarding the advisability of restoring the Manchus to power, etc., etc. I have deemed it prudent to discourage procedure of this nature, and as Americans, including men of the International Y. M. C. A., have been prominent in the Saturday Club, I have spoken to them in an informal and confidential way regarding our attitude in matters of this kind.

After my departure from Korea, as Consul-General, the attitude of some of the American Missionaries and the International Y. M. C. A. Manager resulted in serious objections being lodged by the Japanese authorities, and ultimately resulted in the International Y. M. C. A. Manager being removed from that territory. As a general proposition, the attitude of foreigners in Shanghai, as regards the constituted authorities, is of such a nature as would, under like circumstances in Korea, have resulted in the Japanese authorities objecting.

My confidential suggestions to the International Y. M. C. A. Manager for all China have been along the line of carefully avoiding any kind of participation in, or recognition of, political issues. Considering the fact that many of the returned Chinese students are not in sympathy with the constituted authorities, and as many of these young men are concerned in International Y. M. C. A. work, I feel that the American Managers of this organization here are to be commended for their diplomatic attitude at the present time.

I have the honor to be, Sir,

Your obedient servant,

Thomas Sammons

American Consul-General.

Enclosure:
Clipping from the CHINA PRESS, May 9, 1914.

Copy, together with enclosure, to the Department of State.

Copy for the information of the Consul-General at Large.

800/891
S/Ad.

Enclosure with Shanghai Despatch No. 86 (File No. 800/891), of May 14, 1914.

Clipping from the CHINA PRESS, Shanghai; issue of May 9, 1914.

[illegible] Moral of Turkey and [illegible]

Young Parliaments Went Too Fast; Su[illegible]

Cataclysms Dangerous; Constructive Period

With the flags of the United States and China and the pennants of American universities draping the walls of the banquet room of the Palace Hotel, a large company of members of the American University Club of Shanghai sat down last evening to what proved to be the most enjoyable and interesting annual dinner of the Club's history. Songs familiar to the old days of university life, stories of the responsible and irresponsible years when they all were undergraduates, the music of the orchestra, the fine banquet and the excellent speeches, serious and humorous, all contributed to make the occasion one long to be remembered. Perhaps that which stood out as most significant in the spirit of the company and the remarks of the distinguished speakers was the relationship of the American university man, whether he be a citizen of the United States or a returned Chinese student, to the present China and the responsibilities involved in that relationship.

Mr. W. C. Sprague, the president of the Club, acted as toastmaster for the occasion.

The first speaker was the Hon. Thomas Sammons, U. S. Consul-General. He expressed his great pleasure in being present at a gathering so representatively American. He told of another occasion, in 1905, when he was passing through Shanghai on his way to Korea, at a time Mr. Rockhill, Minister to China, was also in Shanghai, when he attended a banquet of the American University Club. He was interested in comparing the two banquets and noting the large increase that had been made in the Club since.

Chinese 'Reasonableness'

On the former occasion, he sat beside Dr. Arthur H. Smith, who had, about that time, issued a book on Chinese characteristics. Mr. Sammons asked what Dr. Smith considered the most predominant characteristic of the Chinese, and Dr. Smith replied after a moment that it was "reasonableness." Mr. Sammons remembered that response and it had proved valuable to him in treating with the Chinese since that time.

The Hon. W. W. Rockhill, [illegible] Minister to China, in a [illegible] lucid address in which he [illegible] his experience as Ambassador [illegible] Russia and later to Turkey, gave [illegible] reasons, based upon that experience, for conservatism in the political re[illegible] forms for China. He said:

"I need not tell you, [illegible] the pleasure it gives me [illegible] self once more in China, [illegible] I have passed many [illegible] and whose welfare is dear [illegible] next only to that of my own [illegible] Five years ago I left [illegible] last important official act [illegible] present my Government [illegible] monies on the death of the [illegible] Kuang-hsu and the [illegible] Dowager Tzu-hsi. I left [illegible] order of my Government to [illegible] sent it at the Court of St. Petersburg and I remained in Russia [illegible] Then I was sent as A[illegible] Constantinople, [illegible] November last, when I [illegible] the Diplomatic Service [illegible] my face again toward C[illegible]

Great Changes of the [illegible]

"During these five years [illegible] events of world-wide importance have taken place in the [illegible] especially in the two Empires [illegible] which I was so fortunate as to represent. In Russia I saw the country rapidly recovering from the disastrous effects of its war with Japan and the grave internal disturbances which had marked those same years. The Government was strong and co-operating with the national representatives of the third Duma who, taught by the failure of the two preceding Dumas, resulting from their misguided zeal to carry through, in the briefest space of time, fundamental reforms for which the country was in no wise prepared, had begun to realise the necessity of moderation in their policies and of taking heed of the views, and following the lead of the less emotional, practical statesmen [illegible] administration of the Empire. The finances were being rapidly reorganized and put on a solid basis as the necessary and indispensable condition precedent to the carrying out of the vast economic, administrative, and educational program of the State. The defences of the country were being perfected and its long lines of frontier, from the Sea of Japan to the Baltic, were being everywhere rendered stronger. Railways were being constructed, ports of commerce created, and the exploitation of the natural resources of the Empire encouraged.

"Then I went to Turkey, where, a few years before my arrival, constitutional government had been restored, chiefly by the action of a portion of the army, under the guidance of the politicians of the so-called 'Young Turk Party.' Here I found a discredited and incompetent parliament, led by a few politicians and soldiers; a sovereign shorn of every vestige of power; an army unnerved and ill-disciplined through the part it had been made to take in political events, and the people of the Empire openly hostile to the policy of sudden nationalization (or Turkification) which the Young Turks were trying to impose on all the various races represented in the Empire—Christians, Albanians, Arabs, Armenians, and others.

Idealism and Ignorance

"The Treasury was empty, the pay of the army and of the civil officials in arrears, and reform denied, though long promised, and which might, if put in force, have saved the Empire from dismemberment, or at least greatly strengthened the country in its hour of need. I saw also the results of this policy based on idealism and ignorance, on political metaphysics and on Comtism. Turkey was promptly stripped of Tripoli, its last African Province, by Italy, and the ink was not dry on the treaty of peace of Ouchy before every state in the Balkans rose up against their former sovereign, drove the Turkish army to the Bosphorous, and wrenched from Turkey her last European provinces and the islands of the Aegean.

"Terribly mutilated as Turkey came out of this struggle, which might have been spared her if the headstrong, impatient reformers had not tried to force the pace of reform and to ignore the experience of the past, the dictates of commonsense and the traditions of their race, the Ottoman Empire may maintain for long her independance and the integrity of what remains of the Empire of the Caliphs, if the lesson has really been learnt that the old, time-tried, political organization of a country cannot be suddenly swept away to make place for another and totally alien form, without the gravest danger to its existence and that, at the present day, the peculiarly close financial, economic, and political relations in which the various states of the East stand to those of the West, such sudden political cataclysms are fraught with greater danger to the state in which they occur than at any former period of the world's history.

"Then I came back to China, and I found that the Empire had come to an end, and that a Republican form of government had been adopted. I found that, through the precipitate attempt to Chinesify Mongolia and Tibet, the greater part of these two great dependencies had been probably irretrievably lost to China. I found also that the names of all the official offices, titles, ranks, etc., had been changed. I have found also in some parts of the country a great deal of concern over the currency question, and the rapacity of officials, and in the treaty ports I have heard the usual doleful stories about the condition of the import trade. I have found many other things which it would take me too long to mention, but I have found no-where that the people are concerned in anything but the maintenance of peace, the restoration of order, and the right to till their fields and follow their trades without let or hindrance.

Must Learn By Experience

"China has tried, it seems to me, a political experiment which was [illegible] to fail. In fact, the [illegible] country must learn by its own experience. It is to be congratulated that it has come through it with so small permanent damage, as I think it has. It speaks well for China's good sense. The period of constructive work is now beginning; the modernization of Chinese institutions, political and economic, along national lines, according to the teachings of history and China's own experience, aided by the light of the recent experience of other states.

In this work all Chinese and foreigners can and should join, each and every one can, and should, help to lay the foundations of the new China which will come in due course of time to perfect fruition, and so I raise my glass and ask you to drink with me to the new China."

Japanese activity

AMERICAN CONSULATE GENERAL 25 MAY 1914

No. 95. Shanghai, China, May 20, 1914.

Confidential

Sec to Dept 12 JUN 1914

Subject: China and Japan---Alleged Activity of Japanese Agents.

The Honorable Paul S. Reinsch,
American Minister,
Peking.

800

Sir:

I have the honor to enclose herewith an editorial clipping from today's issue of the NORTH CHINA DAILY NEWS, on the above subject, and to add that I am advised that the Chinese authorities have paid the Japanese about ten or fifteen thousand dollars on account of the attack made by Chinese detectives on certain Japanese who were in company with Chinese of an alleged disreputable character in what is known as the Nantao Incident in this city, and to which reference is made in the enclosed editorial.

The Japanese Consular authorities have stated to me, during informal conversations at social functions, that it seemed apparent that the Chinese authorities were endeavoring to make a case against the Japanese who were involved in the Nantao Incident and that, without due provocation, the Chinese Police had shot the Japanese in the back and otherwise taken advantage of their alleged defenseless condition, killing one of them almost outright.

With reference to the chief points in the enclosed editorial, that is to say, whether the Japanese are fomenting disturbed conditions in China, and whether the rise of either China or Japan will be to the detriment of the other, I have to state that, in my opinion, the Japanese authorities will continue to assume that they are entitled to exceptional consideration in the sense that they desire to exercise a predominating influence in the Far East and that, in the event this assumption is seriously opposed by any or all of the Powers, the Japanese will resist and ultimately resort to extreme measures, unless the forces massed against them are manifestly too strong and too powerful to be successfully opposed or combatted.

The policy expressed by Count Okuma regarding independent action on the part of Japan, or cooperation with the Powers, etc., and referred to in the enclosed editorial, is practically the same as that outlined by the late Prince Ito and which was reported in my despatches from Korea while serving as Consul General at Seoul, and during which time Prince Ito was Resident General in that country and the chief representative of the late Emperor of Japan.

At the same time Prince Ito felt that Japan, in the event of serious revolutions or disturbances in China, should be prepared to despatch a large number of troops and practically police the country, if need be, in the protection of all concerned, and that, therefore, the serious question involved was as to how many troops Japan would be permitted to send to China without rousing the jealousy or opposition of the Powers. I have no doubt but that considerations of this kind are receiving

ing attention at this time on the part of the Japanese authorities.

The serious slackness of trade, and the resulting congestion of imported commodities at this port, is giving the chief commercial representatives of the various countries serious concern and considerable industrial alarm. No doubt, if the present serious and alarming stagnation of trade continues, representations will be made on behalf of commercial interests to the Diplomatic and Consular representatives of the various countries concerned.

The immediate cause for the present suspension of trade activity is said to be due to the action of Chinese bankers in withdrawing their assistance in carrying on the ordinary and customary trade of the interior. This action is largely due, it is said, to the presence of brigands and robbers, but I am of the opinion that these Chinese bankers are also apprehensive regarding the general financial stability of the country.

I have the honor to be, Sir,

Your obedient servant,

Thomas Sammons

American Consul-General.

Enclosure:
Editorial clipping.

Two copies to the Department of State.

Copy to the Tokyo Legation.

891/800
S/Ad.

Enclosure with Shanghai despatch No. 95 (file no.891/800),
of May 20, 1914.

Clipping from the NORTH CHINA DAILY NEWS, of Shanghai,
China, Issue of May 20,
1914.

CHINA AND JAPAN.

SINCE Count Okuma accepted office as Prime Minister of Japan he has made a variety of statements of unusual interest. With the suggestion recently attributed to him that Great Britain should supply the money and Japan the brains for the exploitation of China we need not deal further. The proposal was so extraordinary that it is hardly possible to believe that Count Okuma was correctly reported. Since then the Premier has issued an outline of the Government's intentions in which a prominent place is given to "such foreign policies as will ensure permanent peace in the Far East." This particular allusion Count Okuma expanded in an address to the Governors of the Provinces which was reported among our telegrams on Monday. It would be impossible, he said, for Japan to take independent action in any direction in dealing with China, but she must act only after the fullest conference and co-operation with the other Powers. The address concluded by emphasizing the benefits of the Anglo-Japanese Alliance, not least in respect of what it had done for China, a statement in which there is certainly no exaggeration.

It is difficult not to think that this address to the Provincial Governors was framed with a special eye to the state of public feeling in Japan. The intensity of interest with which the progress of events in China is watched by all classes in that country was shown by the riots in Tokio and the shocking murder of Mr. Abe last September consequent upon the killing of certain Japanese at Nanking by General Chang Hsun's men; and public feeling has in no way lost its keenness. Even those who might hardly be expected to have much time for foreign politics are watching China's affairs with an attention scarcely realized outside Japan. It is easy to understand that this must be so when we compare the vast bulk and natural riches of China with Japan's poverty and small area. Were China to become a really first class Power, Japan, it would seem, must immediately fall to the rank of second-class. Every step, therefore, which China appears to take towards that end may well be received with the most acute feeling in Japan. From this point of view moreover, the Anglo-Japanese Alliance, with its special allusions to China, begins to be appreciated in Japan as perhaps never before. It is a fine thing, no doubt, to be one of a Five Power Consortium responsible for the shepherding of China's finances. But the position is one of some loneliness, of competition even in co-operation, wherein the presence of a sworn Ally within the Group is no unacceptable asset. And we have only to try to imagine ourselves in Japan's place to sympathize with her apprehensions and to appreciate her endeavours. At the same time, there is a side to her activities with which it is not possible to sympathize and against which it appears necessary to protest. That certain Japanese were deeply involved in the rebellion of last summer—with the object, it would appear, either of setting up a Government amenable to their own ideas or of depriving China of any Government at all—has never been denied. Is it quite certain that there are no such

Japanese at work to-day, as much without the approval of their Government as in 1913, yet with hardly less ardour?

In a recent article it was said that some deeper reason than brigandage and straitened finances must exist for the continued stagnation and nervousness of commerce in China. Brigands there have always been in China, and there have not always been such strong governors as may be found in some of her provinces to-day. Paper money is a great evil, but in itself, one would imagine, not insuperable by a nation so bent on trading as the Chinese. And against all this we cannot disregard the conviction of some of the most solid Chinese business men, those who are not accustomed to deal in mere rumour, that the fundamental cause of unrest is to be found in the small parties of Japanese agitators who at many points throughout the country are believed to be spreading dissension and fear. It cannot be forgotten that one important point in the story of of the two Japanese who were shot (one killed, one wounded) in Nantao on February 6, has never satisfactorily been cleared up: what those men were doing in the company of people whose record and business were perfectly familiar to the Chinese authorities. That may be merely a matter of suspicion, just as there is a suspicion that other Japanese are busying themselves elsewhere as outlined above, and as there was suspicion a year ago of Japanese intrigue. But we know what steps were taken then by the Japanese Government to deal with these unofficial agents, into whose actions a very real and searching inquiry was made by the different Japanese Consular officials in the autumn of last year: and it is not too much to ask that the same investigations shall be repeated now. In criticizing the actions of the Japanese Government it has always to be remembered that there are two bodies of opinion in the nation. The belief that as China rises Japan must fall is not the most farsighted view. The prosperity of one nation by no means necessarily implies the depression of another, although to act as if it did is a good way to achieve that result. This is the mistake of the self-constituted Japanese agent working in China, and because it is equally destructive to both countries, there is an urgent need that his activities be checked. That is not impossibly the real meaning of Count Okuma's address.

Attitude of Japan
with respect to
Fukien.

Peking,

No. 237. May 26, 1914.

CONFIDENTIAL

83.
800.

The Honorable,
The Secretary of State,
Washington, D. C.

Sir:

Referring to your telegraphic instruction of May 21, 2:00 p.m., and to my telegrams of May 23, 7:00 p.m. and May 25, 6:00 p.m. I have the honor to submit the following observations on the present attitude of Japan with respect to the Province of Fukien, as well as the activities of Japan in the adjoining Province of Kiangsi and other parts of the Yangtse Valley.

The Chinese Government is by no means inclined to concede to Japan any special sphere of interest, influence, or activity in the Province of Fukien; nor has the Chinese Government ever allowed it to be understood that the policy to be followed in the protection of the coast of this Province has been or will be modified in accordance with the desires expressed by Japan in the matter. The Chinese Government considers that it has an absolute and undiminished right to fortify any point within this Province. Any inaction in this matter is to be attributed to the general financial and political condition of China and not to the admission of the special rights of any Power in the Province of Fukien.

But, while the Chinese Government is thus desirous of resisting any claim of a special interest, the Japanese Government, on its part, is attempting to expand the vague non-alienation agreement of 1909 so as to make it the basis of a claim to special rights. The comparative inaction of other nationalities in Fukien, the absence of railway building, of foreign mining enterprises, etc., is attributed by the Japanese Government to explicit deference to their claims of priority which, however, the Chinese Government has always resisted.

It is understood that the Japanese Minister has, during the last few months, repeatedly pressed for the concession of a railway contract in Fukien, and he has very plainly intimated that Japan would object to the construction of any railways in that Province by nationals of any other Power, although the Chinese Government has never made any promise of priority to Japan. On the contrary, Chinese officials have been very anxious to enlist foreign enterprise in Fukien. In December, 1913, Admiral Liu Kuan-hsiung, the Minister of Marine, at the time Acting Tutu of Fukien, memorialized President Yuan Shih-k'ai for the provision of railways in Fukien. Among other things, he said "as Fukien is situated in a very secluded place, there are only one or two Powers which cherish any aggressive designs regarding it and the rest of the Powers have always been friendly. We could negotiate with the friendly Powers for a loan x x x thus all troubles, both internal and external, may be averted."

It is also important, in this connection, to consider the interest manifested by the Japanese in the adjoining Province of Kiangsi. The railway from Kiukiang to Nanchang, which was begun as a Chinese enterprise and is still nominally so, has been supplied with a Japanese loan and the construction is under a Japanese engineer. So far only about forty miles out of the total of eighty have been constructed. On account of the almost unequalled inefficiency of the management the railway is bankrupted before it is finished. During the unrest of last summer the Japanese were desirous of sending three hundred troops to the summer resort of Kuling, although there were only seven Japanese there resident as compared with about five hundred each of American and British nationals. Should the Japanese Government be able to force the Chinese Government to grant a concession from Foochow to Nanchang, connecting up with the Nanchang-Kiukiang railway, this would mean a great step forward in the influence of Japan in the south and the center of China, including the Yangtze Valley. (It is stateddthat the British Minister has opposed such a grant to Japan and it is not difficult to see how unwelcome the construction of this line would be to the British.) Considering the claims which are even now advanced by Japan, with respect to Fukien, such a consummation could not but be regarded with apprehension from the point of view of the rights and interests of other nations throughout this Province.

The manifestations of Japanese interest and energy in the Yangtze Valley - such as the loan to the Hanyehping Company, secured upon its iron mines and mills; the military and naval demonstration at Nanking; the construction of large, permanent Japanese barracks adjoining the foreign settlements at Hankow; and the constant and eager activities of unofficial, unauthorized Japanese in connection with revolutionary movements in this region - have attracted much attention, especially on the part of the British, who, while they are still in theory supporting the policy of the "open door", view with concern any activities which might forebode serious competition in the Yangtze Valley should the economic and political division of China into spheres of influence proceed farther.

While, from the point of view of the traditional policy of the United States in support of the unity and independence of China and the equality of commercial opportunity there, no objection could be entertained to the participation of Japan in the development of the resources of the Yangtze Valley, it would seem that the pretensions which are plainly indicated by the present attitude of the Japanese Government, with respect to Fukien, should be strongly resisted. The Chinese Government counts upon the Powers whose political interest in China is secondary to their economic interests, such as Great Britain, Germany, and the United States, to use the weight of their influence and authority on the side of the maintenance of China's integrity and of the "open door" to commerce. They have always looked upon the United States as a leader in this policy. Any admission on the part of the United States that Japan has a right to claim special interests in Fukien would be the cause of such a grievous disappointment on the part of the Chinese that it would go far to shake their confidence in the seriousness of the good will of America towards China and in the determination of the United States to protect its legitimate interests in an undivided China, freely open to the commerce of all nations.

With respect to any connection of the Bethlehem Steel Corporation with the plans for the defence of the coast of Fukien, the only information which the Legation possesses is as follows:

When Mr. Archibald Johnston was in Peking last fall, his mission was to ascertain whether the Chinese Government acknowledged the validity of the contract for naval vessels which was made by the Imperial Government in 1911. (A copy of this contract was forwarded to the Department with the Legation's despatch No. 2011, of November 11, 1913). As the Minister of Marine had been sent to Fukien as Acting Tutu of that Province, with orders to suppress local disorders, Mr. Johnston was asked to follow him there for personal conferences. On this trip Mr. Johnston was accompanied by Lieutenant-Commander Irving V. Gillis, U. S. Navy, an Attaché of this Legation. While the main subject of conversation and negotiation concerned the character of the existing con-

contract

tract and of the ships and materials to be supplied under it, incidentally the whole question of the coast defences of China was discussed. Mr. Johnston was asked to give his technical advice upon questions of the location and equipment of dockyards and naval bases. The Bay of Santuao was visited and pronounced to be eminently suitable for a naval base, as its harbor is strongly protected by nature so as to be very easily defended. While the Minister of Marine was very anxious to have the professional judgment of Mr. Johnston and of Commander Gillis on the general policy of coast defence and on the value of various sites, including those on the coast of Fukien, negotiations for the actual construction of any naval base were not undertaken. While the American experts placed their professional knowledge at the service of the Chinese Admiral, the business arrangements made between Mr. Johnston and the Chinese Government concerned only the reaffirmation of the contract made in 1911; and, while the contract was declared valid, the Chinese Government did not desire its immediate execution, nor did it specify exactly the character of vessels and materials to be furnished, all this being left to a time when the financial situation of China should have improved. Undoubtedly, too, the Chinese Government felt that the giving to the United States of a large order for vessels at this time would lead to great pressure being exercised on the part of other nations for similar arrangements; so that, while preferring to purchase from the United States, the Chinese Government considered it wiser to defer the actual execution of the contract until its financial and political condition had become stronger.

The contract, as will be seen, provides for an expenditure of only $2,000,000. for the improvement of existing dockyards, or the eventual establishment of new ones. This sum,is, of course, utterly inadequate for the creation of even one fairly equipped naval dockyard. The Bethlehem Steel Corporation being interested in steel construction allowed these items for work to be done in China to be placed in the contract only upon the urgent insistence of the Chinese Government that some of the money should be thus spent. The Corporation holds the same attitude at present: is interested only incidentally in any construction to be undertaken in China, and it was not anxious to enter into this matter at all. Whatever was done by Mr. Johnston by way of investigation and advice was done at the request of the Chinese Government and by way of friendly offices.

The source of the spurious draft for a contract, reported in my despatch No. 220, of the 11th instant, has not yet been discovered; but the surmises as to its origin, as indicated at the time, still hold good. The matter has, however, been given wide publicity, although both the Chinese Government and the American Legation promptly denied the authenticity of the contract. The fact that serious articles were written about it, such as, for instance, an editorial in the NORTH CHINA DAILY NEWS of May 18th, indicates the slight foundation upon which such discussions are apt to take place.

I have the honor to be, Sir,

Your obedient servant,

PAUL S. REINSCH.

[illegible]0.

A true copy of
the signed orig-
inal.

No.112. Copy for the Legation.

Political Conditions in Shantung

30 MAY 1914

AMERICAN CONSULATE,
Chefoo,China,May 27,1914.

Subject:Political Conditions in Shantung.

860

The Honorable
The Secretary of State,
Washington.

Sir:

I have the honor to report as a result of my official visit to Tsinanfu,the Capital of this Province,that the political conditions in this Province are greatly improved over those which obtained a year or two ago. The Provincial officials at Tsinanfu informed me that the provincial and local administration throughout Shantung is in a better working basis today than at any other time since the outbreak of the revolution. Foreign missionaries and Chinese business men at Tsinanfu concur in this view of the situation. The Chinese students both at the mission schools and at Government institutions are dissatisfied with the results of the revolution and,while, they hesitate to give outward expression to their views,for fear of being classed as revolutionists and as a consequence subjected to imprisonment or execution. These students express themselves as discouraged with the results of the revolution but dare make no demonstrations indicative of their feelings in this matter. It might be said that martial law obtains throughout the Province. At all stations along the railways, in the sea-ports and towns along the water ways, soldiers and police are stationed to inspect the baggage of travelers and to arrest suspicious characters, in order to frustrate any attempts to arouse a demonstration against the present administration. The outgoing and incoming mail of the students in the provincial schools is censored by provincial authorities. The press is closely watched for revolutionary sentiments and those guilty thereof punished. In this connection, it is interesting to note that there are at present but seven native daily newspapers published in Tsinanfu as compared with fifteen a year and a half ago. I was informed by the Tu-tu or Military Governor that he has between 30,000 and 40,000 troops in this province, the maintenance of which costs the Provincial Government about $3,500,000 (U.S.Currency) a year. Shantung is at present sending about $800,000 (U.S.Currency) a year to the Central Government.

The Commissioner of Foreign Affairs at Tsinanfu is Mr.Loh Ch'ang (羅 昌) born in Honolulu, of Chinese parentage. Mr.Loh states that he lived in Honolulu for 17 years and was until he came to China five years ago, an citizen of the Hawaiian Islands. He claims to have completed his education at Oxford University. He is now married to a daughter of Kang Yu Wei (康有為) the noted Chinese reformer, who according to Mrs.Loh's statement is at present in Homgkong. Mrs.Loh was at one

time

a student at Barnard College,New York.

Shortly after the outbreak of the revolution, October 1911,a decided tendency was noted on the part of a large portion of the Chinese communities to adopt and pattern after western methods and customs.This tendency continued almost unabated until within the past six or eight months,after which was noted a distinct reversion to the former practices. Today we find throughout this Province a decided tendency to revert to the Chinese practices and customs. The gown and queue are in numerous instances replacing the foreign clothes and the cropped hair. The student classes and the soldiers show no signs of adopting the queue,but many of the former have discarded the foreign clothes adopted soon after the outbreak of the revolution. The Chinese merchants and literati have for the most part reverted to the former Chinese customs. Foreign style hats and shoes,mostly of Japanese or native manufacture, are still,however,much in evidence among the student, literati and mercantile classesand will probably continue in popularity. The officials now wear foreign style uniforms of a semi-military nature.

In an educational way,while lack of funds has resulted in the curtailment of activity in this field, there being today probably less than half the number of students under instruction in public schools than a year or two ago,there is noticeable a strong tendency to revert to Chinese as contrasted with foreign methods. The Chinese classics which two years [illegible] found no place in the curricula of the Chinese schools is now being reintroduced, even into some of the primary schools. Confucian temples which for years stood in disrepair are now being renovated.

In this reversion to conservatism, the student element so demonstrative in its revolutionary outcry two and three years ago, now silently acquiesce, apparently fearful lest any manifestations of opposition on their part will meet with severe punishment from those in authority. On the other hand, the masses of Chinese are apparently thankful for the restoration of law and order.

I have the honor to be, Sir.

Your obedient servant,

Julean H. Arnold

American Consul.

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A true copy of the signed original.

The

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Constitution.

Peking, May 14th, 1914.

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THE AMENDED PROVISIONAL CONSTITUTION.

By Dr. Frank J. Goodnow.

CONSTITUTIONAL ADVISER TO THE PRESIDENT.

Those whose duty it is to participate in the framing of a constitution for China at this critical period in her history must bear in mind two things:—

In the first place they must remember that any constitution which is to be expected to be successful must be in harmony with the conditions of the country and must, on that account, be in the nature of an evolution out of the history and traditions of the people whose conduct that constitution is called upon to regulate. For there is no such thing as an absolutely ideal constitution. No constitution which has as yet been devised is perfect. There is no constitution which has not defects. All constitutions but approximate excellence and those which approximate excellence most closely are those which conform most closely to the conditions of the countries for whose government they have been framed, and which are an outgrowth of the capacities and aspirations of the people living in those countries.

In the second place the framers of a constitution for China, as indeed for any country, must be careful not to be swayed by the spell of words and phrases. Particularly must they beware of "republic" and "republican government"; so far as those words connote the institutions possessed by a particular country. The words "republic" and "republican government" have had very different meanings in the political history of Europe. Etymologically "republic" means simply the "public weal," "the commonwealth," "the state." Historically the word has been used to indicate very different kinds of government. What we now speak of as the Roman Empire was for a long time called a *respublica.* Poland was called a republic, although its chief executive was elected for life. In the present French Republic the executive is a President who is elected by the legislature and is obliged to act through ministers responsible to the legislature. In Switzerland the executive power is entrusted to a Council also elected and controlled by the legislature. The members of this council serve for a short term; but as a matter of fact the council is a permanent body since its members are as a rule re-elected at the expiration of their terms. In the United States, however, the executive i. e. the President is elected indirectly by the people for a fixed term, is frequently not reelected even for a second term and is not obliged to act through ministers responsible to the legislature.

If therefore it is assumed that the Constitution of China is to be what is called republican in character that assumption does not decide the real form of the government which is to be adopted. It may of course be taken for granted that in a republican government there is a representative legislature, that the executive is to be selected by some process of election and that, if modern European examples are followed, his term is not fixed for life. But beyond these things the position of the President in a country whose government is spoken of as republican in character and his relation to the legislature may be of almost any character.

Furthermore, it is to be remembered that a constitution which is to be framed for China is to be framed for an Asiatic and not for an European country. If what has been said is true. that a constitution approximates excellence only in so far as it is in conformity with the capacities and aspirations of the people whose conduct it is to regulate, the fact that China is Asia rather than Europe ought to have great influence on its constitution so far as there are marked differences existing at present between Asia and Europe. Asia does differ from Europe in that Asiatic tendencies have been in the direction of emphasizing the executive rather than the legislature which in modern Europe has gained the upper hand.

These things being true, one who assumes to estimate the excellence or the reverse of the Constitution which has just been framed for the government of China must try to find out:

1st. How far that instrument suits the present conditions of the country well is in accord with the country's history and traditions; and

2nd. Assuming that it is a republican Constitution which is desired whether the constitution proposed is republican in character.

Furthermore, the critic of the Constitution which has just been adopted must also bear in mind that the work of the Provisional Constitutional Conference has been confined to the amendment of a constitution which was confessedly provisional and that therefore that constitution, as it has been amended, retains much of its original provisional character.

Nor must he forget that this constitution was and is not only provisional, it is also incomplete. The original Provisional Constitution did not organise the legislature. This work was done subsequently by the National or Advisory Council. The same is true of the amendments to the Provisional Constitution. They also, after providing that the members of the legislature shall be elected by the people leave its organisation to the subsequent action of the Conference which drew up those amendments.

Furthermore, the amended Provisional Constitution does not provide for the election of the President. This omission, however, is only apparent. For that matter had already been attended to by the legislature recently dissolved which provided for his election for a term of five years by the legislature. Its action must, in view of Article 64, which continues in force all existing laws, not inconsistent with the Amended Provisional Constitution, be regarded as still valid. For no change in the method of electing the President or in his term has been made by the Amended Provisional Constitution. Indeed the only part of the Permanent Constitution which has been adopted is that which provides for the election of the President.

Any criticism of the work of th Constitutional Conference must therefore be based on the assumption tha what has been done, has been don in order to provide a means b which the transition from th autocratic methods which hav always existed in China to somethin in the nature of permanent republica government may be made with safet and with the least disadvantageou consequences possible.

A judgment as to whether th Provisional Constitution as amende provides for a republican governmen must be suspended until such tim as the legislature provided for by i has been organised. It is of cours true that that portion of the Permanent Constitution which has bee adopted provides for a President t be elected for a term of five year by the legislature and that th Amended Provisional Constitutio provides, as has been said, for legislature the members of which ar to be elected by the people. If th legislature which is to be organise is really representative of and electe by the people or the influentia classes thereof, the republican character of the government can hardly b denied. The powers of the Presiden and his relations to the legislatur are significant merely as indicatin the kind of republic which has bee established.

The first questions then to be asked are: Does the Provisional Constitution as amended suit the conditions of China? Is it in harmony with the traditions and history of the country? And will it permit with safety and as little friction as possible the transition from the autocracy of the past to the representative government of the future?

If we regard the present conditions of China we find a people devoted for the most part to agriculture, owning lands in small parcels, intensely attached to its peculiar form of family life, recognising almost no obligation as superior to that due to the family and unaccustomed to any but the most limited and narrow kind of social co-operation. For years, for centuries indeed this people has not in any formal manner participated generally in the work of government. That work has devolved upon the Emperor, the Son of Heaven, who has been assisted in the performance of his duties by persons selected as officers through competitive examinations in the literature and learning of the past, which for so long has cast its spell over the public mind. No such thing as an election has until recently been thought of as a method for selecting even the lowest grade of officials. Such a thing as a representive legislature or even a local representative body has been unknown until within the last decade. The struggle for life has been so arduous that the people generally, even if they had been so inclined, have not been able to interest themselves in public affairs. Satisfied if the conditions of political life have left them in a situation in which they might keep body and soul together their only political influence has consisted in protesting often-times with violence against what they regarded as the unendurable rapacity of their governors.

Such are the conditions under which the Chinese people are living, such have been their history and traditions during many centuries. Their total inexperience with the institutions of representative government, their habit of submission to what has seemed to them the inevitable, accompanied as it has been by occasional protest against what they have considered to be unendurable, would indicate that it is hopeless to expect that the transition from an autocratic past to a form of government more in accord with modern European ideas of popular representation many be safely made unless greater emphasis is laid on the necessity of the preservation of order than on popular participation in the work of government. The problems of the present are rather those of efficiency and stability than of liberty and popular government.

If this is the case the constitution to be adopted at this time of transition should be one which emphasizes executive power to which the people are accustomed, rather than popular participation in government with which they have had little if any experience. The strengthening of the executive power is frankly the purpose of the constitutional amendments which have just been adopted. Guided by aspirations which were at the time incapable of immediate realisation and undoubedly influenced as well by considerations of a purely personal nature, the framers of the original Provisional Constitution as well as of the draft constitution framed by the committee of the late legislature made the mistake of emphasizing the legislature rather than the executive. In the belief that the cabinet form of government was the most highly developed form of representative government they endavoured to model their President upon the President of the French Republic. They apparently forgot that the countries in which this form of government had been adopted had years if not centuries of experience with representative government either national or local, and that in most instances the system had been adopted to secure responsibility for the actions of an hereditary king who was otherwise irresponsible.

The Amendments which have been adopted have, however, reversed the policy. They have on the contrary made provision for the system of Presidential Government which, as its existence in the United States amply proves, is just as consistent with republican institutions as is the system of Cabinet Government which has been abandoned.

The Amendments have, it is true, gone a step further in strengthening the executive power than the American model would warrant. For they have given to the President the power to declare war and conclude peace, a wide power of ordinance and the power to provide for the organisation of the Army and the Navy and the civil official system. But that such an extension of executive powers is unwise under the present conditions of China and in view of her traditions and history may not be said. It is always to be remembered, as has already been pointed out, that Chinese traditions are executive rather than legislative. This being the case, it may certainly not be said that at this period of transition from the old to the new a great emphasis on the old is not fitting and proper. When a representative body has been established which shows itself capable of effective action it will undoubtedly be advisable to transfer to it or to subject to its control some of the powers which under the Constitution as amended are to be exercised by the President. But until that time comes it would seem certainly wiser not to make a violent break with the past.

The Amended Constitution also provides that in case the legislature refuses to vote the estimates as proposed by the President, the appropriations of the previous year shall remain in force. It furthermore provides that estimates for certain objects of expenditure such as those provided by law or by treaty and those for the army and the navy may not be curtailed without the approval of the President. Such provisions naturally limit greatly the powers of control of the legislature but their adoption as well as the grant to the President of a large power of veto, provision for which is made, would seem to be absolutely, necessary in order to enable the President to protect himself against attack by a legislature desirous of reducing the powers granted to him by the Constitution. A very limited power of control over the budget is accorded to the legislature by the Constitutions of both Germany and Japan. These countries are, it is true, not republics, but at the same time they are countries which have abandoned absolutism and are regarded as having joined the rnaks of those enjoying representative government. Furthermore, an unlimited control over the annual budget is not a necessarily distinctive characteristic of republican governments. Even in the United States there are numerous examples of permanent appropriations which continue in force in the absence of positive action on the part of the legislature repealing them.

The power of veto given to the President is also compatible with representative and even republican government. Such a power is for example possessed by most kings in countries which enjoy representative government as well as by the President of the United States and by the governors of most of the States of the American Union.

So far then, as concerns the position of the executive and its relations to the legislature, the Constitution as amended provides for little if any thing which can be truly regarded as incompatible with the development of representative or even republican government. But those who are progressive in their ideas should remember that the Constitution is still confessedly provisional in character, and that it is adopted to permit of the safe transition from autocratic to representative government. If dissatisfied with any of its provisions, they should endeavour to obtain the omission or amendment of such provision when the time comes, as it soon will come, to adopt a permanent constitution.

Little if any change is made by the amendments in the articles affecting the judiciary. The purpose of the amended as well as of the original Provisional Constitution is to establish an independent judiciary. But special mention is made in article 43 of an Administrative Court, which is to have jurisdiction of what are spoken of as administrative law suits and is to try impeachments of the Secretary of State and of Ministers for breaches of the law. These impeachments are to be filed by the Censorate. Neither the Censorate nor the Administrative Court is organised by the Amended Constitution but as article 64 provides that the law and ordinances in force before the coming into effect of this Amended Provisional Constitution shall continue in force provided that they do not conflict with the provisions of this Provisional Constitution, and as ample provision is made for these bodies in the Orders and Instructions already issued with regard to them, the existence and organisation of these bodies are assured.

The only other important change made by the Amended Constitution is with regard to the bill of rights. This is so changed as to make it perfectly clear that those rights are to find their limitations only in law, as passed by the Legislature. In adopting this conception of the rights of the individual those responsible for the Amended Constitution have put themselves into accord with the modern European view as to private rights. The only country at the present time which takes a different view is the United States. There the Courts through their power to declare acts of the legislature unconstitutional have the final power to determine what are the rights possessed by the individual under the constitution. But under the new Constitution it is made clear that the executive side of the Government may not constitutionally limit the exercise of the rights recognised. Such limitations may be imposed only by statutes, that is by law adopted by the legislature.

There is one point in which the Constitution is not so clearly expressed as it should be. This concerns the making of law. Articles 30 and 31 give to the legislature the power of legislation. But apparently articles 19 and 20 also give to the President a concurrent power of legislation over many subjects. They provide that the President may in order to promote the public welfare, to enforce the law or in pursuance of authority granted by law issue ordinances which do not alter the law. Furthermore, they authorise him in times of great emergency when time will not permit the convocation of the Legislature, to issue ordinances which shall have the force of statutes but which shall be submitted to the Legislature for its action at the beginning of its next session. In case such ordinances are rejected by the legislature they shall become void. These articles are modelled on articles contained in the Japanese Constitution. Whether the Japanese practice with regard to them will be followed it is of course impossible to say. If so, the powers which are thus granted to the President will not be so great as at first sight they seem to be. They will authorise the President merely to issue ordinances in execution of existing laws, and in case of emergency when the legislature cannot be convoked to issue ordinances superseding existing law. In this latter contingency the approval of the legislature must be secured.

If Japanese practice is not to be followed and if the construction of these articles is to be made independently, the following situation may well present itself. There will be two concurrent legislative authorities, namely the Legislature and the President. Of these the President will be the more powerful. For the President has practically absolute veto power over the action of the Legislature in passing laws while the Legislature has the power of vetoing only those ordinances of the President issued at a time of great emergency when the Legislature cannot be convoked, ordinances which have presumably altered existing law. In ordinary times, however whether the legislature is or is not in session, the President may, through the exercise of this ordinance power, regulate in the interest of the public welfare many subjects which have not been regulated by legislation. The only limitation upon this power of the President is to be found in some of the provisions of the bill of rights which provides e. g. that citizens may not be deprived of certain rights except as a result of statute, i. e. a law passed by the legislature. Thus no one can be arrested except in accordance with a statute. If we assume, in accordance with the ordinary rule of European and American Constitutional law, that a subsequent statute inconsistent with an existing Presidential Ordinance impliedly repeals that ordinance, still it will be theoretically impossible for the Legislature against the practically absolute veto power of the President to pass such a statute. In case, however, an effective legislature develops it is hardly conceivable that the President will in practice be able to use his veto power so as to prevent action by the legislature directed towards the implied repeal of an unpopular Presidential Ordinance.

The result is that until the field open to regulation by legislation has been occupied by legislation passed with the approval of the President that field is subject to the limitations of the constitution open to regulation by Presidential Ordinance, provided that there is no strenous opposition on the part of the legislature. Further more, in time of emergency laws adopted by the legislature with the approval of the President may be superseded by Presidential Ordinance not rejected by a vote of the legislature at its next session.

In other words a real controlling power of legislation is vested in the President and the Legislature is relegated in many instances almost to the position of an advisory body.

The treatment of questions arising in connexion with the budget shows the same desire to make the legislature an advisory rather than a controlling body. It may not reject or reduce estimates for expenditures made necessary by permanent law, or by treaty or for the Army and Navy, and if it does not vote the estimates as a whole, the appropriations of th previous year are continued in effect Apparently the only powers of control which the legislature possesses ar with regard to the making of loan and levying new taxes and the chang of existing tax rates which require law, *i. e.* the action of the legislature.

Apart, however, from this powe of control over loans and ove taxes, the legislature is theoretically in financial matters a counci of advice. But here again an effective legislature will in practice mak it impossible for the President t take action in the appropriation o money contrary to its strenuousl expressed will. For as the necessitie of the government increase, and the undoubtedly will, this power of contro over taxation and loans possessed b the legislature may well become o such importance, as gradually, if th legislature shows itself capable o effective action, to transform th advisory power of the legislature int powers of real control. The experience of all nations which hav essayed to change an absolute for of government into some form o representative government woul seem to show that the first step ha consisted in the formation of som sort of representative body whos functions have been in the main th giving of advice on most matters o legislation and in controlling th imposition of taxes. As the representative body has gained in confidence and experience it has through its control over the purse transformed its powers of advice into powers of control until the government has become truly representative in character in matters of legislation as well as of taxation. In the birthplace of representative government, that is England, this development has taken place without a written constitution. It has been due to the fact that the people who rather than a written constitution finally decide the matter, have earnestly desired this kind of government. The existence of a written constitution is significant only in that it is an indication of the desires of the people or of a comprehension of the problems of representative government on the part of those who for the time being are in control of the government.

Such a form of government as is established by the Amended Provisional Constitution is thus in conformity with the historical development of European constitutional government. Experience has shown also that it may be successfully applied in the Asiatic communities which for centuries have lived under a regime of absolutism. For the Amended Constitution is very closely modelled, as has been indicated, on Japanese lines. There is, it is true, an elected President in the place of an hereditary Emperor. But the powers of that President are much the same as the powers of the Japanese Emperor. The relations of the President to the legislature are also much the same as are those of the Japanese Emperor to the Parliament. Under this form of government, the Japanese have been successful in resisting the aggression of the foreigner, in consolidating Japanese power, in introducing into Japan what have been regarded as the beneficial features of Western life and in smoothing the way for the peaceful transition from Oriental autocracy to European Representative Government. Recent events in Japan would seem to indicate that that form of government is sufficiently flexible to permit the people of the country just so soon as they have acquired sufficient political experience and capacity, to exercise a really controlling influence over the government. There is no reason to believe that the Chinese will not be able to bring about the same result if they are only patient and do not attempt to move too rapidly along a road which is, it must be remembered, strewn with the failures of those essaying the journey with too little regard for the lessons of the past and with insufficient preparation. It is perhaps needless to say that this result can be attained only upon the condition that on the one hand the influential people of China seriously interest themselves in political matters and that on the other hand those in control of the government observe the limitations which the new Constitution imposes upon their actions.

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Peking,

No. 255. June 5, 1914.

The Honorable,

The Secretary of State,

Washington, D. C.

Sir:

In continuation of my despatch No. 211, of May 5th, with which I enclosed a memorandum by the Chinese Secretary on the Revised Provisional Constitution, I have the honor to transmit two memoranda: one by the Chinese Secretary, relative to the development of Government organization; and one by the Assistant Chinese Secretary on the personnel of the Advisory Council (Ts'an Chêng Yüan), together with translations of the public documents treated of as published in the local foreign press.

I have the honor to enclose, also, a copy of an article by Dr. Frank J. Goodnow, Constitutional Adviser to the President, entitled "The Amended Provisional Constitution",

Constitution", which appeared soon after the Revised Provisional Constitution was adopted. This article was published in all the more important newspapers in China and received much favorable comment.

I have the honor to be, Sir,

Your obedient servant,

PAUL S. REINSCH.

Enclosures:

1. Memorandum by Chinese Secretary.
2. "The Constitutional Compact": PEKING DAILY NEWS of May 20th.
3. Organization of Administrative Council: PEKING DAILY NEWS of May 5th.
4. Organization of Military Council: PEKING GAZETTE of May 11th.
5. Organization of Salt Gabelle: PEKING DAILY NEWS of May 18th.
6. Official System for the Provinces: PEKING GAZETTE of May 25th.
7. Organization of the Advisory Chamber: PEKING GAZETTE pf May 26th.
8. Memorandum by Asst. Chinese Secretary.
9. "The Amended Provisional Constitution", by Dr. F. J. Goodnow: PEKING DAILY NEWS (pamphlet), May 14th.

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